DIGITALES ARCHIV

Pascariu, Gabriela Carmen (Ed.); Ibanescu, Bogdan-Constantin (Ed.); Alupului, Ciprian (Ed.) et al.

Conference Paper

Shaping the European future : institutions, transformations, and digital challenges : EURINT 2024

Provided in Cooperation with:
Alexandru Ioan Cuza University of Iaşi

This Version is available at:
http://hdl.handle.net/11159/701684

GABRIELA CARMEN PASCARIU ● BOGDAN-CONSTANTIN IBANESCU
CIPRIAN ALUPULUI ● IOANA-MARIA URSACHE
Editors

SHAPING THE EUROPEAN FUTURE: INSTITUTIONS, TRANSFORMATIONS, AND DIGITAL CHALLENGES

EURINT 2024

CONFERENCE PROCEEDINGS

Gabriela Carmen Pascariu ● **Bogdan-Constantin Ibanescu**
Ciprian Alupului ● **Ioana-Maria Ursache**
- editors -

Shaping the European future: institutions, transformations, and digital challenges

ALEXANDRU IOAN CUZA
UNIVERSITY of IAȘI

CENTRE FOR EUROPEAN STUDIES
FACULTY OF LAW

INDIDeR

**INSTITUTIONS, DIGITIZATION AND REGIONAL DEVELOPMENT
IN THE EUROPEAN UNION**
PN-III-P4-PCE-2021-1878

cse.uaic.ro/indider

Gabriela Carmen Pascariu ● Bogdan-Constantin Ibanescu
Ciprian Alupului ● Ioana-Maria Ursache
- editors -

Shaping the European future: institutions, transformations, and digital challenges

CONTENTS

Editorial: The European future and the crucial role of institutions in answering the digital challenges

⬤ **Gabriela Carmen Pascariu,** ⬤ **Bogdan-Constantin Ibanescu,** ⬤ **Ciprian Alupului,** ⬤ **Ioana-Maria Ursache**
Alexandru Ioan Cuza University of Iaşi, Romania

The European Union has been a successful story for many decades, despite the crises it has faced over time, becoming in years a pole of attraction for other European countries. In general, crises have generated a sense of deepening integration, and the enlargements from EU6 to EU27 were seen as a natural dynamic of the "(re)integration" of the European continent, strengthening, with each stage, the EU power and relevance in the international order. The synergies between the deepening and the widening mechanisms encouraged to look for a federal future of the EU as an "ever-closer union", a "hard core" of regional and global cooperation, and as a real economic and political power. New opportunities and challenges have emerged in 1990s, in the context of the political transformations in the Central and Eastern Europe. For the countries from this "liberated" part of Europe, the accession to the EU has been identified with their aspirations for freedom, democracy, prosperity and security, a definitive break from the hegemonic tendencies of Russia. In the same logic of European unification, the Union has enlarged from the EU15 to the EU28. The integration of diversity has been achieved based on the community method and on variable geometries, successfully applied to previous enlargements. However, an important transformation of the strategic vision of the future of the EU has occurred. Although maintaining the federalist option, with this wave of enlargement, the federalist future of EU is no longer a widely shared dream and the differentiated integration looks increasingly obvious. Lately various crises and shocks which have hit the EU in the last two decades have shown the limits of the current system. Additional pressures are generated by the prospect of the Union enlargement to the countries of the Eastern neighbourhood and the Western Balkans, which has become a priority in the foreign policy against the background of the war in Ukraine. Therefore, an even more enlarged, but also a more diverse Union is foreshadowed in a timeframe, which albeit not yet politically assumed, already requires a reconsideration of the EU's strategic agenda.

Over the past decades, the European Union has faced a series of challenges that have reshaped its vision for the future. To address these challenges, the EU has implemented a range of measures aimed at reinforcing its core values. Central to this strategy is a heightened focus on institutional resilience and adaptability, not only at

the European level but also at national and regional scale. Additionally, the integration of digital transformation challenges has become a key element of the new strategic framework.

This evolving strategy reflects the EU's commitment to ensuring its long-term stability and relevance in a rapidly changing global context. By addressing digitalization alongside institutional strengthening, the Union aims to build a robust foundation capable of navigating both immediate and future disruptions. This volume seeks to explore in depth the directions outlined in these strategies and to analyse their potential consequences for the EU's short-term and long-term trajectory, providing valuable insights into the Union's path forward.

The papers presented in this volume are organized around two major thematic axes: (1) Institutions, sectoral developments, and societal transformations and (2) Data, digitalization, and new challenges. While there is an evident overlap in topics between these two sections, the volume is designed with a complementary perspective, aiming to provide a holistic understanding of the interconnected dynamics at play. The first theme focuses on the evolution of institutions and the societal and sectoral shifts that have shaped contemporary developments and it highlights how institutional frameworks interact with broader societal changes, emphasizing transformations at regional, national, and supranational levels. The second theme addresses the profound implications of data-driven processes and digitalization, focusing on the new challenges these bring to institutions, economies, and societies. Together, these sections aim to create a dialogue between structural evolutions and the technological disruptions that redefine them, offering a multifaceted view of the ongoing transformations.

The first thematic area aims to examine a wide range of societal aspects currently undergoing significant transformation, with a particular focus on Central and Eastern Europe. This section addresses critical issues such as the emergence of new forms of education, the impact of the war in Ukraine on neighboring countries, and the integration of both consumers and institutions into sustainability frameworks. Additionally, it explores the perceptions shaping creative tourism in Europe, shedding light on the socio-cultural dynamics influencing this sector. Beyond these core topics, the volume also highlights issues that have received limited attention over the past decade. These include the rise of Generation Z and its relationship with digital culture, innovative approaches to measuring health status, and the evolving role of civil society in countries aspiring to EU membership. These subjects are going to become central to discussions about the region's future, as they reflect the interplay between emerging societal trends and the broader geopolitical and institutional landscape. Therefore, the volume provides a forward-looking perspective on the challenges and opportunities shaping the next decade in Europe.

The second thematic area centers on the critical issue of digitalization and its far-reaching impacts. While addressing traditional concerns such as digitalization inequalities, this section also ventures into less-explored, yet increasingly relevant

topics, within regional science. These include the evolving privacy frameworks, a comprehensive overview of EU directives and regulations, and the crucial issue of data security. The volume not only broadens the scope of digitalization research but also strengthens its relevance to regional science. Rather than diluting the regional focus, this approach enriches the analysis, offering unique insights that often escape traditional frameworks. This thematic area underscores the intersection of regional development and digital transformation, highlighting how policies, security concerns, and regulatory mechanisms shape the digital landscape and its regional implications. EURINT perspective ensures a more nuanced and forward-thinking analysis, contributing to the growing body of knowledge at the intersection of digitalization and regional studies

PART 1.

Institutions, sectoral developments and societal transformations

Labour in the European Single Market: cultural perspectives vs. neoclassical views

Oana-Maria Cozma ✉

Alexandru Ioan Cuza University of Iași, Romania

Abstract: The European Single Market (ESM) enables free movement of people, goods, services, and capital within the EU, creating a unified internal space much like a single nation-state. Key among these freedoms is labour mobility, which not only allows individuals to pursue better employment but also promotes EU integration and cohesion. This paper explores how labour market theories—the cultural perspective and the neoclassical viewpoint—influence the ESM's structure and impact on integration. Through content analysis of academic literature and EU legislation, it examines how these perspectives shape the conceptualization of the European labour market. The analysis aims to clarify whether the ESM aligns more closely with cultural or neoclassical ideals and to assess how this alignment affects the EU's integration process. The study's findings shed light on the theoretical foundations that guide the EU's approach to labour mobility within the ESM and their broader implications for European unity.

Keywords: Single Market, European integration, labour market, the Cultural perspective, the Neoclassical view

Introduction

As envisioned in the 1958 Treaty of Rome, and ever since its formation in 1993, the European Single Market, also known as the internal market, has sought to offer to people, goods, money and services the opportunity to move as freely as in the context of a single state-like entity. Therefore, the European Single Market provides four fundamental freedoms, and numerous benefits, including increased economic growth, job creation, and overall prosperity inside the EU. Some of the benefits include the removal of barriers, which has resulted in a significant increase in trade within the EU; the single market has helped transform the EU into one of the world's most powerful trade blocs; and EU citizens benefit from high product safety standards and can study, live, work, and retire in any EU country (European Parliament, 2023). The free movement of people is one of the four freedoms foreseen by the European Single Market, and one of the most essential provisions in terms of

✉ PhD. student at Doctoral School of Economics and Business Administration, Alexandru Ioan Cuza University of Iași, Romania, cozma.oanamaria@gmail.com.

labour market mobility. It is worth noting that the phenomenon of migration continues to have a significant impact on the European labour market, with its trajectory marked by clear milestones throughout the EU's existence. In this regard, the establishment of the European Economic Community (1957), the collapse of the Iron Curtain (1989), the expansion into Central and Eastern Europe (2004, 2007), and the Syrian Refugee Crisis (2015) can all be viewed as occasions that influenced the European labour market. The European Single Market can also be viewed as an important achievement that had a significant impact on the European labour market, as it promotes free mobility of labour, allowing workers to pursue employment opportunities throughout member states without encountering biased restrictions (European Council, 2024). The free movement of people, and particularly labour mobility, is essential to achieving European integration. By allowing persons to freely live and work across EU borders, this principle promotes economic, social, and political solidarity among member states. Labour mobility increases resource efficiency, cultural interaction, political solidarity, geographical inequalities reduction, and cross-sector collaboration. As a result, free labour movement is a cornerstone of European integration, propelling the EU toward greater interconnectedness and unity (Delivet, 2017).

It is evident that the mobility of labour within the EU, facilitated by the free movement of people within the European Single Market, engenders numerous beneficial effects on the European labour market and contributes significantly to the process of European integration. Nonetheless, a pertinent inquiry arises as to how the European labour market can be contextualised within theoretical frameworks. The Cultural and Neoclassical theoretical paradigms offer divergent insights into the formation and functioning of labour markets, suggesting a compelling avenue for exploration regarding the potential influence of theoretical perspectives on the European Single Market and EU integration, particularly in relation to the free movement of labour. On the one hand, the cultural perspective argues that cultural norms can play a significant role in shaping the labour market, influencing individuals' attitudes, behaviours and expectations about work. On the other hand, the neoclassical perspective states that human activity is often characterised by goals that are considered independent of individual culture, and human behaviour is not perceived as a product of culture. The present paper's purpose was accomplished using a qualitative research method called content analysis. Through the content analysis there was undertaken a comprehensive examination of academic literature and EU legislation in order to explore the European labour market in the context of the Single Market, and the theoretical framework of the cultural and neoclassical perspectives on the labour market. The remainder of this paper is organised in the following manner: Section 1 explores a concise overview on the European Single Market and the European integration process; Section 2 outlines a brief incursion on labour market considerations within the EU; Section 3 presents the Cultural perspective vs. the Neoclassical view on labour market; Section 4 emphasises the

results and discussion on the relationship between theoretical perspectives on the labour market, the internal market and European integration. Some final remarks conclude the paper.

1. The European Single Market and European integration

Prior to the establishment of the contemporary European Union (EU), the notion of the Single Market had already been a central objective within the framework of the European Economic Community (EEC). Consequently, the Treaty of Rome, establishing the EEC in 1958, intended to eliminate customs barriers and implement a common customs tariff (European Council, 2024). The provisions outlined in Articles 12, 95, and 30 of the Treaty of Rome encompass a range of regulations, including the outlawing of customs duties on imports, the forbidding of systems of internal taxation which differentiates against imported goods, and the outlawing of quota systems and measures. These stipulations represented significant strides toward facilitating the free movement of goods (McGee & Weatherill, 1990). The Treaty of Rome underlined the freedom of movement for individuals between Member States through Articles 48, 52, and 59, which extended this prerogative to both individuals and companies as beneficiaries thereof (McGee & Weatherill, 1990).

In subsequent years, the EU persisted in advancing its efforts towards the internal market, with a concerted focus on dismantling impediments to the free movement of goods and individuals. Hence, the formal establishment of the European Single Market took place on January 1, 1993, under the stewardship of the European Commission President, Jacques Delors. This important milestone presented the removal of internal border controls and the establishment of a unified economic zone (European Commission, 2024a). As previously mentioned, in terms of objectives, the European Single Market embodies concepts expressed in four fundamental freedoms: the free movement of people, goods, money, and services. More specifically, products, services, capital, and people may circulate freely within the internal market, allowing citizens to live, work, conduct business, study, and retire anywhere they chose in the EU. Additionally, it is noteworthy to highlight that the goals and principles of the internal market entail both benefits and drawbacks within the European framework. Certain favourable elements of the internal market encompass access to a multitude of suppliers of commodities and amenities within the singular market, decreased expenses attributable to economies of scale, and standardised regulations, norms, and requirements across the region, fostering the generation of additional employment opportunities, reduced pricing, and an extended array of commodities and facilities, alongside the opportunity to reside, work, pursue education, and engage in commercial activities across the European Union. (Eur-lex, 2020). However, critical perspectives also emerge highlighting adverse aspects of the European Single Market, and emphasising reasons for its

perceived failure to fulfil its intended objectives. For instance, there are concerns regarding the tendency of the internal market to foster social dumping, wherein businesses may seek to undercut or circumvent existing labour standards and regulations within the framework of free movement in the single market, thereby gaining a competitive edge over reliable enterprises (Jorens, 2022; Bernaciak, 2014). Furthermore, it is contended that the internal market's approach to competition fails to adequately account for market scale and incentives for innovation, with growing assertions that it serves as a tool for advancing protectionist agendas in industrial policy (Bauer, 2023).

Post-war European nation-states selectively aggregated their national sovereignty, or ultimate oversight of a body politic, to create European integration. It resulted in the European Union (EU), a successful example of international collaboration in modern history (Peterson, 2001). More specifically, European integration refers to the industrial, economic, political, legal, social, and cultural integration of states located in or near Europe. From a chronological perspective, European integration can be traced back to the inception of the European Economic Community with the Treaty of Paris in 1951, which established the decision to consolidate the coal and steel industries of six European nations. In addition to the Treaty of Paris, the Treaty of Rome in 1958 further reinforced the foundations of this integration and the concept of a shared future for the six participating European countries (European Parliament, 2018). Subsequently, a significant advancement in European integration was achieved with the Single European Act of 1986; this act included provisions such as the expansion of the European Union's powers through the establishment of a comprehensive internal market and the enhancement of the European Parliament's role (European Parliament, 2018). In 1993 the Maastricht Treaty revised preceding European treaties and founded the European Union upon three pillars: the European Communities, the Common Foreign and Security Policy, and collaboration in the areas of justice and home affairs. Then, in 1999, The Amsterdam Treaty introduced essential modifications to enhance the Union's efficiency and democratic processes in anticipation of its expansion (European Parliament, 2018). Later, the Treaty of Niece and the Convention for the Future of Europe, signed in 2001, aimed to prepare the EU for its two Central and Eastern European enlargements in 2004 and 2007 (European Parliament, 2018). The Treaty of Lisbon, signed in 2009, changes how EU institutions work and decisions are made to be more appropriate for an EU that had grown to 28 members following additional expansions. It also reforms the EU's internal and external policies and, by giving the European Parliament additional legislative authority (Eur-lex, 2017).

In the context of European integration, it is worth discussing some theories that are attempting to explain this process. Neo-functionalism was a popular theory in the 1960's which emphasised the concept of spillover in order to explain European integration. The term spillover refers to how integration in one policy area puts pressure on integration in other areas. Furthermore, the idea of spillover is used to

articulate the role of supranational and subnational players in the integration process, since they put additional pressure on deeper integration in order to promote their interests (Hatton, 2011). Intergovernmentalism is another theory which stresses the fact that national governments of member states should be the most important players in the process of European integration, rather than being undermined as some of their sovereignty is delegated to the EU, but rather strengthened by it (Hatton, 2011). Intergovernmentalism opposes the idea of a self-perpetuating integration process, instead viewing European integration as the outcome of logical and measured negotiation among national governments, who balance the costs and advantages of cooperation in light of their national interests (Kuhn, 2019). Another explanation of European integration comes through the multi-level governance theory. This concept describes the fragmentation of authority across different levels of political authority. More specifically, authority and sovereignty in Europe have shifted away from national governments and toward supranational entities such as the EU and regional and local governments (Hatton, 2011). It appears that European integration is a process that has been built up over time, sometimes slowly, sometimes quickly, and requires continual and consistent interest and effort to attain and progress. As previously indicated, the development of the internal market was a significant catalyst for European integration. Furthermore, in the context of the internal market, free movement of people, which has resulted in significant labour mobility across the EU, has been and continues to be an essential part of achieving proper European integration.

2. Labour market considerations within the EU

The free movement of people is one of the four liberties incorporated within the framework of the Single Market, and it has shaped the way the European labour market looks like. The European labour market is characterised by its diversity and complexity, encompassing a broad spectrum of industries, occupations, and labour market policies across its Member States. With the onset of globalization and the establishment of the European Economic Community (EEC), European nations witnessed heightened trade integration and economic interdependence. This has resulted in the restructuring of industries, the emergence of new sectors like services and technology, and shifts in the composition of the workforce (Huberman & Lewchuk, 2003). In 2023, the European labour market exhibited its lowest level of fragility since the financial crisis of 2008, marked by a reduction in EU unemployment to below six percent and a concurrent rise in the vacancy rate to nearly three percent (European Commission, 2023a). The simultaneous occurrence of low unemployment and a significant number of job vacancies and labour shortages shows a continuously tight labour market notwithstanding the slowdown in economic activity (European Commission, 2023a). In the first half of 2023, employment growth was notably robust in the construction and IT-related services

sectors (European Commission, 2023a). Conversely, contact-intensive service activities witnessed less vigorous employment growth, while the arts and entertainment sector remained stagnant. Additionally, the manufacturing sector experienced sluggish growth in its labour force (European Commission, 2023a).

Since the free movement of workers is a fundamental component of the European Single Market, it facilitates labour mobility and allows businesses to attract talent from across the EU to satisfy labour demand (European Commission, 2023b). Eliminating obstacles to labour mobility within the internal market enhances economic efficiency by enabling workers to relocate to areas or countries where their skills are needed, thereby alleviating labour shortages and mitigating job skills mismatches (Ilzkovitz et al., 2007). In 2021, 1.4 million individuals relocated from one EU country to another, marking a 10% increase compared to 2020, a year impacted by the COVID-19 pandemic (Eurostat, 2023). An analysis based on previous residence indicates that in 2021, Germany received the highest number of immigrants from other EU member states, followed by Poland, Spain, the Netherlands, and Romania (Eurostat, 2023). By 2022, Romania had the largest proportion of its nationals residing in other EU countries (24% of all EU citizens living in another member state as non-nationals), surpassing Poland and Italy. Additionally, it is notable that in 2022, EU countries collectively issued nearly 3.5 million first residence permits to non-EU citizens, reflecting an 18% increase from 2021 and a 14% rise compared to pre-COVID-19 levels in 2019 (Eurostat, 2023). It is important to highlight that work was the primary reason for residence permits in 2022, along with family and educational reasons. In 2022, the highest share of permits issued for employment was recorded in Croatia, followed by Romania and Malta (Eurostat, 2023).

Labour mobility within the internal market plays a crucial role in shaping European integration by promoting economic convergence, social cohesion, and political unity among EU member states. Although concerns about the effects of free movement (and immigration from outside the EU) have emerged as significant political issues in some countries, the economic impacts have generally been positive (Porters, 2015). Destination countries have experienced modest macroeconomic and fiscal benefits, while sending countries have also gained. Surprisingly, the negative labour market impacts have been minimal (Porters, 2015).

From a legislative perspective, residing and working within the internal market is governed by an extensive array of directives and regulations applicable to both EU and non-EU citizens. A selection of these will be highlighted below. *Regulation (EU) No 492/2011 on the right of EU workers to move within the EU* benefits both individuals who prefer to work elsewhere in the EU and the societies that receive them. It allows the first group to exercise their right to free movement and improve their personal and professional circumstances, while the second group can fill employment gaps and skill shortages. *Directive 2014/54/EU on measures facilitating the exercise of rights conferred on workers in the context of freedom of*

movement for workers' demands national authorities to guarantee that judicial processes are available to all EU workers who believe they are discriminated against in some way. Furthermore, organisations, associations, trade unions, and employer groups participating in the directive's application may represent or assist EU workers and their families in any legal action they may take. *Regulation (EC) No 883/2004 on the coordination of social security systems* establishes common norms for protecting social security entitlements while moving between the European Union (EU), Iceland, Liechtenstein, Norway, and Switzerland. *Directive (EU) 2021/1883 – conditions of entry to and residence in the European Union of non-EU nationals for the purpose of highly qualified employment* regulates the entry and residency conditions as well as rights of highly skilled third-country nationals and their immediate family members. *The European Qualifications Framework for lifelong learning Recommendation* guarantees that every kind and degree of qualifications are covered throughout the EU, including those obtained through higher education, vocational education and training, and general education, as well as those provided by private sector and international sector organisations.

Similarly, the free movement of people within the internal market has influenced the European employment legislative context. This strategy encompasses various provisions that shape the structure of the European labour market. From Social dialogue, Youth employment support and social economy and inclusive entrepreneurship to Rights at work, Long-term unemployment and public employment services, the European Employment Strategy seeks to create more and better employment opportunities across the EU (European Commission, 2024b). A brief examination of the rights to work, which significantly contribute to the European labour market and the free movement of people within the internal market, reveals that these rights encompass regulations related to health and safety at work, labour law, and anti-discrimination measures in the workplace. Labour law, in particular, covers aspects such as minimum standards for working conditions at the European level, transparent and predictable working conditions (Directive (EU) 2019/1152), adequate minimum wages (European Commission, 2020), or the Work-life Balance Initiative, which addresses the work-life balance challenges encountered by working parents and caregivers (Directive (EU) 2019/1158).

3. The Cultural Perspective vs. the Neoclassical View on labour market

In 1989, Jon Elster proposed an intriguing contrast between Adam Smith's *homo economicus* and Emile Durkheim's *homo sociologicus*. In this regard, the former is motivated by future benefits, whereas the latter is encouraged to act through inertial elements (Elster, 1989). As a result, *homo economicus* is thought to be directed by instrumental reasoning, whereas *homo sociologicus*' behaviour is influenced by cultural norms (Elster, 1989). This interesting distinction properly

illustrates the differences between the Cultural and Neoclassical perspectives on the labour market.

Defining culture is complex; however, it can be described as the knowledge and behaviours that characterise a specific group of people (Heyes, 2020). Within this broad definition, culture has traditionally been the domain of the humanities and social sciences, where various experts have studied and compared the language, arts, cuisine, and social habits of different human groups (Heyes, 2020). Austen (2000) posits that, in general, culture influences the value and importance individuals assign to different labour market actions and outcomes. Furthermore, specific elements of culture, such as social norms, help delineate the boundaries within which individuals pursue their culturally defined objectives in the labour market (Austen, 2000). Austen (2000) highlights Di Maggio's (1994) classification of cultural factors, which can be used to explain the connection between culture and economic decisions. The described effects are constitutive and regulatory; the constitutive effects of culture shape individuals' economic behaviours through the categories, understandings, and values that culture provides. A notable example is how culture influences individuals' perceptions of their self-interest and their preferences for various labour market activities or outcomes (Di Maggio's, 1994). He also addresses the regulatory effects of culture, wherein social norms, morals, laws, and conventions set boundaries on the pursuit of culturally defined objectives. In conventional economic behaviour models, these cultural effects are particularly evident in how they regulate individuals' pursuit of self-interested goals (Di Maggio's, 1994). According to a cultural perspective, individual preferences are endogenous, which means they are influenced by their environment (Austen, 2000). This viewpoint emphasises the relationship between an organisation's culture, structure, and employees' ideas of self-interest. The investigation of internal labour markets implies that such structures support employees in internalising organisational norms. For instance, Austen (2003) emphasises the fact that social norms of fairness can have a large impact on wage determination, possibly more than skills, education, training, and labour supply. Wage structures that do not reflect social norms of justice may be perceived as unjust, resulting in decreased worker effort and productivity. Societal pay structure decisions might have an impact on employment figures. Employees' worries about fair salaries may encourage employers to offer wages that reflect these perceptions, affecting business profitability. Wage changes caused by market pressures unrelated to productivity are frequently regarded as unjust. Workers' perceptions of fair compensation differentials across occupations can also have an impact on unemployment rates and how occupational labour market's function (Austen, 2003).

The primary critique of the cultural perspective on the labour market originates from the neoclassical viewpoint, which will be examined further in this discussion. Additionally, other critics argue that the cultural perspective overlooks various factors influencing labour market outcomes, such as labour policies and

institutions, as well as the gradual evolution of employment rates and working hours over time (Alesina et al., 2005). Nevertheless, research has found a positive link between culture and labour market outcomes. For example, beliefs toward women's roles in family life and leisure have been found to be statistically and economically important determinants of women's employment rates and average working hours (Giavazzi et al., 2009). Furthermore, religion as a cultural background has a substantial impact on an individual's chances of becoming an entrepreneur (Nunziata & Rocco, 2011). Protestantism, in particular, increases the likelihood of entrepreneurship when compared to Catholicism (Nunziata & Rocco, 2011), and there are significant differences between young Orthodox and Catholic individuals in terms of the relation between their desire to be entrepreneurs and their willingness to take risks, need for achievement, and capacity for creative thinking (Popescu et al., 2019).

As previously outlined, the *homo economicus*, related to the Neoclassical view, appears completely formed, with preferences determined, is engaged, independent (Nelson, 1993), adjusts to new circumstances, and always strives for improvements (Elster, 1989). The environment has no impact on it; it is simply the passive material over which its rational mind exercises control. He engages with society yet is not impacted by it (Nelson, 1993). The neoclassical paradigm, rooted in the principles of marginalism, established the foundational concepts of economic theory within labour market economics. Marshall's model of a partial competitive labour market, characterised by the interaction of market supply and demand, is derived from the concept of diminishing marginal labour product. Smith's notion of the "invisible hand" efficiently allocates work tasks according to their marginal product values and ensures that labour markets are cleared comprehensively (Brozova, 2015). The neoclassical standpoint examines human behaviour through aims that are considered as independent from the individual's culture; more particularly, human conduct is not seen as a product of culture, language, or norms, but rather as the consequence of a distinct set of individual interests (Mayhew, 1987). Furthermore, Mayhew (1987) underlines the idea that assuming that because most individuals, most of the time, reason in a reasonably rational manner with the knowledge available to them, the behaviour patterns, institutions, and culture of any given group are also rational, or reasonably so, constitutes a logical error (Mayhew, 1987). Therefore, the neoclassical paradigm rejects the validity of social norms. The importance of norms is disputed either by arguing that individuals will only be driven by their own self-interest (Hicks, 1963) or by arguing that the norms themselves may be justified by the self-interest of those involved (Austen, 2000). Contrasting the cultural perspective, the Neoclassical economic approach often implies that preferences are independent of the decision-maker's cultural surroundings. This viewpoint holds that preferences are consistent across individuals, and that any observable variation in behaviour between people or communities over time or location can be explained by examining price and income considerations (Stigler and

Becker, 1977). In line with this perspective, people from various cultures participate in different activities or develop and sustain different institutions because they perceive different benefits and costs associated with comparable actions (Stigler & Becker, 1977). Predictably, the primary criticism of the neoclassical perspective on the labour market arises from the cultural standpoint. In this regard, Austen (2000) argues that the cultural viewpoint on issues related to labour markets recognizes that individuals' behaviour in the labour market is influenced by their culture. It includes a knowledge that language, categories, traditions, standards, and other characteristics of culture influence an individual's assessment of alternative options and objectives, and they also impact his or her view of valid and viable action (Austen, 2000). The cultural critique isn't that the neoclassical understanding of the labour market is wrong, but rather that it is insufficient because it does not account for societal norms that impact individual behaviour. Neoclassical analysis implies straightforward rationality, in which individuals behave to maximise utility while minimising costs. Culture and the rules that govern behaviour, on the other hand, are far more complex (Book Reviews, 2007).

4. Results and discussion

Conceptualising the European labour market from a theoretical perspective is a complex task. It is well acknowledged that the labour market within the EU has been profoundly influenced by the internal market, particularly through one of its four fundamental freedoms, the free movement of people, especially their workforce. Both the Cultural and Neoclassical perspectives on the labour market provide genuine and valid viewpoints on how the labour market operates and exists. However, considering the numerous efforts undertaken over time to facilitate the free movement of people and their workforce, it can be argued that the EU labour market tends towards a Cultural perspective. More specifically, considering the multi-state nature of the EU, all the existing and aforementioned directives, regulations, and recommendations related to the labour market, including EU labour law, are made possible by a shared heritage within the European context. Furthermore, this common heritage among EU member states has developed due to a shared historical trajectory over time and mutual interests, especially economic, but also including cultural ones. Despite the differences among EU member states, a shared context of existence has gradually established a common framework of social and cultural norms. These norms can support the conceptualization of the European labour market from a Cultural perspective. Elements of the labour market, such as the establishment of minimum wages and clear working conditions, likely reflect social norms of fairness. Consequently, as long as there are provisions within the labour market that reflect specific social norms accepted and adhered to by all EU member states, the EU labour market can be situated within a cultural theoretical framework. This raises the question of whether viewing the EU labour market

through a cultural theoretical perspective has facilitated European integration over time. The answer is likely affirmative, as European integration has been supported not only by economic and judicial motivations but also by common cultural foundations. These cultural elements are evident in the conceptualization of the EU labour market and the free movement of the workforce. For instance, according to a Eurobarometer Opinion survey in 2013, free movement was regarded as the foremost achievement of European integration by European citizens, with 56% identifying it as the EU's most positive accomplishment, even surpassing peace between Member States (EB79.5, 2013).

Although this paper frames the EU labour market within a theoretical cultural perspective, emphasising that this approach has facilitated European integration over time, it also acknowledges certain limitations. Two primary limitations are as follows. Firstly, the paper only examines two theoretical perspectives on the labour market, omitting other viewpoints such as the Institutional view, Human capital perspective or Behavioural economics standpoint. Secondly, it might be argued that the differences between EU member states are so significant that a common cultural ground could hardly exist. Therefore, they might contend that the numerous directives, regulations, and EU labour law provisions were established solely based on individuals pursuing their personal interests through cost-benefit analysis.

Conclusions

The European Single Market originated from a desire to strengthen the European community, shaping it into a significant economic, political, and cultural entity on the international arena. Essentially, the Single Market has acted as a catalyst for European integration by promoting the free movement of individuals, goods, services, and capital within the Union. These freedoms, known as the four core freedoms, are fundamental to the internal market and apply to all EU member states. This paper focuses on the free movement of people, which has significantly influenced the European labour market. The European labour market exhibits characteristics that reflect the internal market's impact, notably the extensive efforts made over time to align the labour and labour mobility interests of all EU member states. Furthermore, both the Cultural and Neoclassical perspectives on the labour market offer insightful and valid viewpoints on its formation and existence. In brief, the Cultural perspective highlights that cultural norms significantly shape the labour market by influencing individuals' attitudes, behaviours, and expectations regarding work. In contrast, the Neoclassical perspective posits that human activity is driven by goals that are independent of individual culture, viewing human behaviour as not being a product of cultural influences. The common cultural heritage and shared European identity, which have established specific social and cultural norms, allow the European labour market to be viewed through a theoretical Cultural Perspective. However, this paper also acknowledges its limitations, as there might be valid

arguments for framing the European labour market within a Neoclassical perspective as well.

References

Alesina, A., Glaeser, E., & Sacerdote, B. (2005). *Work and leisure in the U.S. and Europe: Why so different?* (Working Paper No. 11278). National Bureau of Economic Research. https://doi.org/10.3386/w11278

Austen, S. (2000). Culture and the labour market. *Review of Social Economy*, *58*(4), 505–521. https://doi.org/10.2307/2977008

Austen, S. (2003). *Culture and the labour market*. Edward Elgar.

Bauer, M. (2023). What is Wrong with Europe's Shattered Single Market? Lessons from Policy Fragmentation and Misdirected Approaches to EU Competition Policy. *Occasional Paper No. 02/2023, European Centre for International Political Economy (ECIPE)*. https://shorturl.at/yrGdQ

Bernaciak, M. (2014). *Social dumping and the EU integration process* (Working Paper No. 11091). European Trade Union Institute (ETUI). http://gesd.free.fr/etui614.pdf

Book reviews. (2007). *Review of Social Economy*, *65*(3), 349–385. https://doi.org/10.1080/00346760600712188

Brozova, D. (2015). Modern labour economics: The neoclassical paradigm with institutional content. *Procedia Economics and Finance*, 30, 50–56. https://doi.org/10.1016/S2212-5671(15)01254-X

Delivet, P. (2017, January 30). The free movement of people: principle, stakes and challenges. *Foundation Robert Schuman, The Research and Studies Centre on Europe*. https://www.robert-schuman.eu/en/european-issues/419-the-free-movement-of-people-principle-stakes-and-challenges

Di Maggio, P. (1994). Culture and Economy. In N. Smelser & R. Swedberg (Eds.) *The Handbook of Economic Sociology* (pp. 27-57). Princeton University Press.

Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union (2019, June 20), *Official Journal of the European Unio*n. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32019L1152

Directive (EU) 2019/1158 of the European Parliament and of the Council (2019, June 20). *Official Journal of the European Union*. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32019L1158

Directive (EU) 2021/1883 – conditions of entry to and residence in the European Union of non-EU nationals for the purpose of highly qualified employment (2020, October 20), *Official Journal of the European Union*. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021L1883

Directive 2014/54/EU on measures facilitating the exercise of rights conferred on workers in the context of freedom of movement for workers (2014, April 16), *Official*

Journal of the European Union. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014L0054

EB79.5 (2013, August 21). European Parliament Eurobarometer (EB79.5) *'One year to go until the 2014 European elections' Institutional Part. Analytical Overview.* https://www.europarl.europa.eu/pdf/eurobarometre/2013/election2/eb79_5_partie_economique_et_sociale_en.pdf

Elster, J. (1989). Social norms and economic theory. *The Journal of Economic Perspectives*, *3*(4), 99–117. https://www.jstor.org/stable/1942912

Eur-lex (2017). *The Treaty of Lisbon*. https://rb.gy/53nlxv

Eur-lex (2020, June 16). *Internal Market*. https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=LEGISSUM:internal_market

European Commission. (2020, October 28). Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on adequate minimum wages in the European Union, COM(2020) 682. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52020PC0682

European Commission (2023a). *European Economic Forecast*. Institutional Paper 258. https://t.ly/6QGWn

European Commission (2023b). *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Skills and talent mobility*. COM(2023) 715 final. https://t.ly/a5NZz

European Commission (2024a). *Jacques Delors. Giving Europe a soul*. https://ec.europa.eu/stories/Jacques-Delors/index_en.html#article

European Commission (2024b). *European employment strategy*. https://ec.europa.eu/social/main.jsp?catId=101&langId=en

European Council (2024, April 18). *EU single market*, https://www.consilium.europa.eu/en/policies/deeper-single-market

European Parliament (2018, June 18). The Historical development of European integration. *Fact Sheets on the European Union*. https://t.ly/8aU4Q

European Parliament (2023, January 19). *30 years of EU single market: benefits and challenges*. https://www.europarl.europa.eu/pdfs/news/expert/2023/1/story/20230112STO66302/20230112STO66302_en.pdf

Eurostat (2023). *Migration and asylum in Europe*. https://ec.europa.eu/eurostat/web/interactive-publications/migration-2023

Giavazzi, F., Schiantarelli, F. & Serafinelli, M. (2009, November). Culture, Policies and Labour Market Outcomes (Discussion Paper No. 4558). *Institute of Labour Economics*. https://t.ly/dinSw

Hatton, L. (2011, July). Theories of European Integration. *CIVITAS*. https://www.civitas.org.uk/content/files/OS.16-Theories.pdf

Heyes, C. (2020). Culture. *Current Biology*, *30*(20), 1246–1250. https://doi.org/10.1016/j.cub.2020.08.086

Hicks, J. A. (1963). *The Theory of Wages*. Macmillan

Huberman, M., & Lleuchuk, W. (2003). European economic integration and the labour compact, 1850-1913. *European Review of Economic History*, *7*(1), 3–41. http://www.jstor.org/stable/41377933

Ilzkovitz, F., Dierx, A., Kovacs, V., & Sousa, N. (2007). Steps towards a deeper economic integration: the Internal Market in the 21st century. A contribution to the Single Market Review. *Directorate-General for Economic and Financial Affairs*. http://ec.europa.eu/economy_finance/index_en.htm

Jorens, Y. (2022). The other side of the coin: The negative consequences of the internal market. In Y. Jorens, *Cross-border EU Employment and its Enforcement* (pp. 375-456). Springer International Publishing. https://doi.org/10.1007/978-3-031-18854-1_5

Kuhn, T. (2019). Grand theories of European integration revisited: Does identity politics shape the course of European integration? *Journal of European Public Policy*, *26*(8), 1213–1230. https://doi.org/10.1080/13501763.2019.1622588

Mayhew, A. (1987). Culture: Core concept under attack. *Journal of Economic Issues*, *21*(2), 586–603. https://doi.org/10.1080/00213624.1987.11504652

McGee, A., & Weatherill, S. (1990). The evolution of the single market: Harmonisation or liberalisation. *The Modern Law Review*, *53*(5), 578–596. https://www.jstor.org/stable/1096490

Nelson, J. A. (1993). Gender and economic ideologies. *Review of Social Economy*, *51*(3), 287–301. https://www.jstor.org/stable/29769681

Nunziata, L. & Rocco, L. (2011, November). The Implications of Cultural Background on Labour Market Choices: The Case of Religion and Entrepreneurship (Discussion Paper No. 6114). *Institute of Labour Economics*. https://www.iza.org/publications/dp/6114/the-implications-of-cultural-background-on-labour-market-choices-the-case-of-religion-and-entrepreneurship

Peterson, J. (2001). European integration. In N. J. Smelser & P. B. Baltes (Eds.), *International Encyclopedia of the Social & Behavioral Science*s. Elsevier (pp. 4923–4925). https://doi.org/10.1016/B0-08-043076-7/01261-4

Popescu, C. C., Maxim, A., & Maxim, L. D. (2019). Is the religious orientation a determinant of the entrepreneurial intentions? A study on Romanian students. *Review of Economic and Business Studies*, *12*(2), 113–130. https://doi.org/10.1515/rebs-2019-0095

Portes, J. (2015). Labour mobility in the European Union. In M. Vernengo, E. P. Caldentey & J. Ghosh (Eds.), *The New Palgrave Dictionary of Economics* (pp. 1-11). Palgrave Macmillan UK. https://doi.org/10.1057/978-1-349-95121-5_3022-1

Regulation (EC) No 883/2004 on the coordination of social security systems (2004, April 29). *Official Journal of the European Union*. https://tinyurl.com/4tu9nhrn

Regulation (EU) No 492/2011 on the right of EU workers to move within the EU (2011, April 5), *Official Journal of the European Union*. https://tinyurl.com/bdf8vjy6

Stigler, G. J., & Becker, G. S. (1977). De gustibus non est disputandum. *The American Economic Review*, *67*(2), 76–90. https://www.jstor.org/stable/1807222

Generation Y on the labour market and the new forms of education

Anca Cristina Irimia (Rădulescu) ✉

University of Bucharest, Romania

Abstract: The article examines the labour market needs of Generation Y and the significance of alternative learning methods. It highlights the impact of non-formal and informal education in developing workplace skills and abilities. Through a survey of Generation Y employees in Romania, the study evaluates the importance of new learning contexts for personal development, well-being, and continuous learning motivation. The research focuses on qualitative data analysis to explore the alternative learning experiences and needs of Generation Y in the labour market. Additionally, the article emphasizes the positive role of European youth programs in helping young people acquire valuable skills for the workforce.

Keywords: Generation Y, education, labour market

Introduction

The article highlights the needs of Generation Y on the labour market and the importance of alternative forms of learning. At the same time, it emphasizes the impact of non-formal as well as informal education in acquiring useful skills and abilities at the workplace. The empirical research carried out by means of a questionnaire aimed at evaluating the importance of alternative forms of education in acquiring the necessary skills on the labour market. The article focuses on the analysis of qualitative data regarding the alternative learning experiences of the respondents as well as the needs of members of Generation Y in the labour market.

1. The need for new types of education

1.1. What is education?

The word education derives from the noun "education" which means growth, nurturing, cultivation. Education has the task of preparing man as an active element of social life. According to the definition, education is "the set of measures systematically applied in order to train and develop the intellectual, moral or physical

---

✉ PhD. student at the University of Bucharest Romania, Political science Faculty; e-mail: anca.irimia94@gmail.com.

qualities of children and youth or people, society, etc. The result of this pedagogical activity is good growth and civilized behaviour in society. To offer education to someone is to educate someone" (Coteanu, 1998).

According to the Sociology of Education, education systems refer to the set of institutions of a society involved in the education of people, in a certain historical period. As a subsystem of the global social system, it is also called the "institution of education". Over time, the institution of education has evolved both in terms of its dominant functions and in terms of the institutions involved, namely the "socialization courts" (Diaconu, 2004).

Today's society demands, more than ever, the intelligence and creative capacity of man, and especially of young people. Starting from this idea, it can be stated that the future emphasizes different learning capacities, adaptability, innovation and above all the intellectual capacities acquired through both formal education methods and new forms of education. In a society, the educational system has the role of making people socialize, so that they fulfil significant roles in the complex network of social interactions and become active members of society as well. Thus, by learning the social roles that belong to him, the young person becomes socialized, that is, he learns over time how to satisfy the needs of others in relation to him and his own. It is interesting that, as the roles in society for which the young person was to be prepared became more diverse and complex, as a result of the evolution of society, the education system multiplied its layers and expanded its socialization instances.

Education, in its broadest sense, is the process through which knowledge, skills, values, and behaviours are transmitted from one generation to the next, ensuring the continuity and advancement of human civilization (Dewey, 1916).

1.2. The Role of Education in Society

Education is tasked with preparing individuals to function effectively within society, equipping them with the intellectual, moral, and physical qualities necessary for meaningful participation in social life. According to traditional definitions, education involves a systematic set of measures aimed at developing these qualities, particularly in children and youth. The ultimate goal of education is not just the accumulation of knowledge, but the cultivation of good character, ethical behaviour, and the ability to navigate complex social environments (Bruner, 1996).

To offer education to someone is to engage in a process of "educating," a concept that goes beyond mere instruction. Education encompasses holistic development, preparing individuals for responsibilities and challenges in adulthood. It involves not only the transfer of factual knowledge but also the shaping of attitudes, values, and behaviours that are essential for personal growth and societal cohesion (Noddings, 2013).

1.3. Learning vs. Education

It is important to distinguish between "learning" and "education," as these terms, while related, have different connotations. Learning refers to the process of acquiring knowledge or skills through study, experience, or instruction. It is a continuous and often self-directed activity that can occur in various contexts, both formal and informal. Learning can happen anywhere: in the classroom, at home, in the workplace, or through personal experiences (Illeris, 2007).

Education, on the other hand, is a more structured and formalized process. It is an organized system designed to facilitate learning by providing individuals with the resources, guidance, and environment necessary to acquire knowledge and develop skills. While learning is an integral part of education, the latter encompasses a broader range of activities aimed at the comprehensive development of individuals, including moral and ethical education, socialization, and physical development (Gutek, 2014).

1.4. Philosophical Perspectives on Education

Education has been a central concern of philosophers throughout history, each offering their interpretations and theories regarding its purpose and nature. Plato, one of the most influential philosophers, defined education as "the art of forming good habits, or of developing the native aptitudes for virtue in those who possess them" (Plato, trans. 2000). For Plato, education was not merely about imparting knowledge but about shaping the character and virtues of individuals, guiding them toward a just and harmonious life.

Aristotle, a student of Plato, offered a different perspective in his work "Politics." He argued that "education should be an object of public supervision, not private." Aristotle believed that education was a public good, essential for the well-being of the state, and should therefore be governed and regulated by the state to ensure that all citizens receive the necessary education to contribute to society (Aristotle, trans. 1998).

Johann Amos Comenius, often referred to as the father of modern education, introduced the idea that education should be universal and accessible to all. In his seminal work "Didactica Magna," Comenius argued that at birth, nature endows the child only with the "seeds of science, morality, and religiosity," which can only flourish through proper education. He emphasized that education is a lifelong process of nurturing these seeds, ultimately leading to the full realization of one's potential as a human being (Comenius, 1957).

Jean-Jacques Rousseau, another key figure in the history of educational thought, offered a more radical view in his work "Emile, or On Education." Rousseau proposed that education should be a natural process, free from the constraints and corruptions of society. He introduced the concept of "negative

education," which involves removing obstacles to natural development and allowing the child to grow and learn in accordance with their innate tendencies. For Rousseau, education was both an intervention and a non-intervention, guiding the child while allowing for natural growth (Rousseau, trans. 1979).

1.5. Education systems and socialization

In the field of sociology, education is viewed as a key institution within society, responsible for the socialization of individuals. Education systems refer to the set of institutions and practices within a society that are involved in the education of people during a specific historical period. These systems are dynamic, evolving in response to changes in society, technology, and culture (Ballantine & Hammack, 2015). As a subsystem of the global social system, the "institution of education" plays a crucial role in preparing individuals for their roles in society. Over time, the functions of education have expanded, with schools, universities, and other educational institutions becoming more complex and specialized. These institutions, often referred to as "socialization courts," are responsible for imparting not only academic knowledge but also the social norms, values, and behaviours necessary for individuals to integrate successfully into society (Durkheim, 1956).

In today's rapidly changing world, the demands on education are greater than ever before. Modern society requires individuals who are not only knowledgeable but also creative, adaptable, and capable of critical thinking. The future will increasingly emphasize diverse learning capacities, innovation, and the ability to navigate complex and dynamic environments. These skills are developed through both traditional forms of education and new, emerging methods that leverage technology and personalized learning approaches (Garrison & Anderson, 2003).

1.6. The expanding role of education in society

As society has evolved, so too has the role of education. The educational system now serves as a critical mechanism for socialization, helping individuals learn the social roles they will play throughout their lives. Through education, young people become socialized, learning how to meet the needs of others while also fulfilling their own needs within the context of social interactions. This process is essential for the development of active, engaged citizens who can contribute meaningfully to the community (Parsons, 1959).

As the roles within society have become more diverse and complex, the education system has also expanded its scope. Today, education is not just about preparing individuals for specific jobs or roles but about equipping them with the skills and knowledge they need to navigate a rapidly changing world. This includes fostering critical thinking, creativity, and the ability to adapt to new situations—qualities that are increasingly important in the 21st century (Schleicher, 2018).

In conclusion, education is a multifaceted process that plays a fundamental role in shaping individuals and societies. It is both a means of personal development and a vital tool for social cohesion and progress. As the demands of society continue to evolve, so too will the role of education, making it an ever more critical component of human life.

2. What is generation Y?

Generation Y, also commonly referred to as Millennials, encompasses individuals born between 1981 and 2000. This generational cohort follows Generation X, which includes those born between 1965 and 1980. Generation Y has also been labeled as the Net Generation, Tech Generation, or Digital Native Generation, highlighting their deep connection with digital technologies from a young age (Howe & Strauss, 2000). These labels reflect the unique characteristics and experiences that define Millennials, particularly their proficiency with technology and their integration into a digitally connected world.

Pupils and students of the Net generation are able to use computers, the Internet for communication, information and learning purposes. "Rhetorically, Veen (2001) uses the notion of Homo Zappiens to describe the generation that has access to modern Information Technology (ICT). The ability to quickly read a text is the effect of the habit of scanning visual material by browsing the Internet, but also browsing among television channels, having the ability to watch two or three shows at once (Ulrich, 2007).

These activities develop the ability to work non-linearly, know the structure of programs and when boring sequences follow in a show. They have no problem multitasking." "Children, teenagers or young people who are fascinated by games and virtual networks, are the same ones who give theses in school, with a unique topic, sometimes they have to raise their hand to answer, they have to wait their turn and solve problems and exercises in notebooks. On the one hand, there are voices that say that the education system underestimates the capacity of this generation. On the other hand, there is no doubt that the education system needs other instructional approaches" (Karlson, 2003, p.20).

In the book Millennials rising: The next great generation, it is revealed that the name "Millennials" recognizes their ability to use millennial technologies, without explicitly defining this fact. They are also considered the generation capable of changing the world, with faster development than their parents' generation. They were designated and raised as special and have different expectations than the previous generation. During the decade of the 1990s, there was a discrepancy between the indifference to the childhood of Generation X and the increased attention given to the childhood of Generation Y. For example, an entire social marketing industry developed to persuade children to behave better, which to provide them with models. There have been more and more children's books and

magazines, songs and films, children's TV and radio programs, websites - with anything and everything - for children, which have experienced rapid growth in the media, but which have it also had the negative effect of making young up-and-comers believe that many things are guaranteed to them and that they are entitled to them. They were exposed to models like Barbie, her partner Ken, or superhero teams (William Strauss and Neil Howe, 2000).

From a cultural and social point of view, when the topic of generation is addressed, we are not talking about exceptional cases, but about general features, about a nucleus, like a center of gravity to which we refer. As with any new generation, as with any young living organism, the direction of change is more important than where it is. This direction of change may best reveal the generation's collective self-image and sense of its destiny. From this point of view, Millennials are indeed special, they change the direction of long-term change and have better behaviours and results than many of their parents and adult leaders today. The higher the demands in education, academics and then on the labour market, which "Millennials" face, the more the results and achievements can be greater than those of the previous generation.

2.1. The identity and characteristics of generation Y

Generation Y is distinct from previous generations due to its formative experiences with the internet, mobile technology, and social media. This generation grew up alongside the rapid advancement of information technology, shaping their behaviours, attitudes, and worldviews. Millennials are often described as being more confident, assertive, and expressive than previous generations, traits that are frequently attributed to their upbringing in an era of social and cultural change (Twenge, 2006).

Jean Twenge's book, *Generation Me: Why Today's Young Americans Are More Confident, Assertive, Entitled—and More Miserable than Ever Before* (2006), offers a critical examination of this generation, describing them as the "Multi Generation." This term emphasizes their multicultural, multimedia, and multiracial identities, reflecting the diverse and interconnected world in which they have come of age. Twenge argues that Millennials have been raised to believe in their uniqueness and entitlement, which has both positive and negative consequences for their mental health and societal participation.

2.2. Technological proficiency and learning styles

Millennials are often characterized by their exceptional ability to navigate digital technologies, which has significant implications for their learning styles and educational experiences. As students, members of Generation Y are adept at using computers and the internet for communication, information retrieval, and learning

purposes. Veen (2001) coined the term "Homo Zappiens" to describe this generation, emphasizing their skill in multitasking and their preference for non-linear ways of working with information.

Homo Zappiens are known for their ability to quickly scan and process visual material, a skill honed by frequent internet browsing and channel surfing on television. This ability has led to a preference for multimedia learning environments that engage multiple senses and allow for interactive, on-demand access to information (Veen, 2001). Consequently, traditional linear approaches to education, such as lectures and step-by-step problem-solving, may be less effective for this generation. Karlson (2003) points out that the education system may underestimate the capabilities of Millennials, suggesting that new instructional approaches are needed to align with their strengths in multitasking and digital literacy.

2.3. The influence of media and marketing on generation Y

The rise of Generation Y coincided with significant changes in media and marketing practices, particularly those targeting children and adolescents. The 1990s saw the emergence of a vast social marketing industry aimed at shaping the behaviours and values of young people. This period marked a shift from the relative indifference to childhood experienced by Generation X to a more intense focus on the upbringing of Millennials. This focus was reflected in the proliferation of children's books, magazines, songs, films, TV shows, radio programs, and websites, all designed to engage and influence the younger generation (Howe & Strauss, 2000).

This media saturation had both positive and negative effects on Millennials. On the one hand, it provided them with a wealth of resources and role models, such as Barbie, Ken, and various superhero teams, that shaped their aspirations and self-image. On the other hand, it contributed to a sense of entitlement and unrealistic expectations about life, as Millennials were led to believe that many things were guaranteed to them (Twenge, 2006). This sense of entitlement has been a point of critique, as it is often linked to the challenges Millennials face in adapting to the realities of adulthood, particularly in the workforce.

2.4. Cultural and social dynamics of generation Y

When discussing the cultural and social characteristics of Generation Y, it is important to focus on the general features that define this cohort, rather than exceptional cases. Generation Y's collective self-image and sense of destiny are shaped by their experiences and the social context in which they were raised. This generation is seen as being more socially conscious and globally minded than their predecessors, with a strong emphasis on diversity, inclusion, and social justice (Pew Research Center, 2014).

Millennials are often perceived as agents of change, driving shifts in social norms and behaviours. They are known for challenging traditional structures and advocating for greater flexibility in work and life. This generational shift is evident in their approach to work, where they value work-life balance, meaningful work, and the use of technology to enhance productivity and collaboration (Meister & Willyerd, 2010).

2.5. Educational and economic expectations of generation Y

The educational experiences of Millennials have been shaped by the higher demands placed on them compared to previous generations. The increased emphasis on academic achievement, standardized testing, and competition for college admissions has led to a generation that is highly educated but also highly stressed (Twenge, 2017). Millennials were often told that they were special and that they could achieve anything, leading to high expectations for their careers and personal lives. However, these expectations have also led to significant challenges, particularly in the labor market. The economic conditions that Millennials have faced, including the Great Recession of 2008, have made it difficult for many to achieve the financial stability and career success they were promised. Despite these challenges, Millennials are often praised for their resilience, adaptability, and commitment to personal and professional growth (Pew Research Center, 2014).

In conclusion, Generation Y is a complex and multifaceted cohort defined by their technological proficiency, multicultural identities, and high expectations for themselves and their futures. As they continue to navigate the challenges and opportunities of the 21st century, their impact on society will likely be profound, shaping the direction of social, cultural, and economic change for years to come.

3. Generation Y in Romania

Generation Y, or Millennials, in Romania shares many characteristics with their global counterparts, such as technological proficiency, a strong orientation toward digital communication, and a distinct set of social and cultural values shaped by rapid globalization and technological advancement. However, the unique socio-economic and historical context of Romania has also significantly influenced the experiences and attitudes of this generation. Born between 1981 and 2000, Romanian Millennials grew up during a period of dramatic change, including the transition from communism to a market economy, integration into the European Union, and the rapid adoption of digital technologies.

3.1. Socio-economic background

The socio-economic context of Romania has played a crucial role in shaping the experiences of Generation Y. Following the 1989 revolution, Romania underwent a period of intense transformation, moving from a centrally planned economy to a market-oriented one. This transition brought about both opportunities and challenges for the emerging Millennial generation. As Romania integrated into the European Union in 2007, Millennials were exposed to new opportunities for education, employment, and mobility within Europe (Voicu & Voicu, 2017).

Despite these advancements, Romanian Millennials have also faced significant economic challenges. The 2008 financial crisis hit Romania hard, leading to high unemployment rates, particularly among young people. This economic instability has affected the financial independence and career trajectories of many Millennials, contributing to a delay in major life milestones such as buying a home or starting a family (Popescu, 2013). The precarious nature of the job market has also led to a rise in temporary and part-time employment among young people, further exacerbating economic insecurity (Voicu, 2016).

3.2. Educational attainment and aspirations

Education has been a central focus for Romanian Millennials, driven by both personal aspirations and societal expectations. The expansion of higher education in Romania, particularly after the country's EU accession, has led to a significant increase in the number of young people pursuing university degrees (Maricutoiu & Sulea, 2019). However, the quality of education and the alignment of academic programs with labour market needs have been ongoing concerns. Many Romanian Millennials have sought education and employment opportunities abroad, contributing to a significant brain drain from the country (Sandu, 2017).

The emphasis on education among Romanian Millennials reflects broader societal values, where academic achievement is often seen as a pathway to social mobility and economic security. However, the mismatch between educational attainment and available job opportunities has led to frustration and disillusionment among some young people. This disconnect has also fuelled emigration, as many Millennials seek better opportunities in other European countries (Voicu, 2016).

3.3. Cultural identity and social values

The cultural identity of Romanian Millennials is characterized by a blend of traditional values and modern, global influences. While they have been exposed to Western cultural norms through media, travel, and education, they also maintain a strong connection to Romanian traditions and values. This duality is evident in their attitudes toward family, work, and social life. For instance, while Millennials in

Romania may prioritize individualism and self-expression, they also place a high value on family ties and community support (Maricutoiu & Sulea, 2019).

Religious beliefs and practices continue to play a significant role in the lives of many Romanian Millennials, although there is a noticeable trend toward secularization, particularly in urban areas. The influence of the Orthodox Church remains strong, but younger generations are increasingly questioning traditional religious practices and exploring new forms of spirituality (Popescu, 2013).

3.4. Political engagement and civic participation

Political engagement among Romanian Millennials has been shaped by their experiences growing up in a post-communist society. While there is a general scepticism toward political institutions and leaders, this generation has shown a growing interest in civic activism and social causes. The rise of social media has provided a platform for Millennials to engage in political discourse, organize protests, and advocate for change. Notably, the 2015 Collective nightclub fire, which led to widespread protests against government corruption, highlighted the power of Millennials in driving political and social change in Romania (Voicu & Voicu, 2017). Despite their increasing activism, voter turnout among Romanian Millennials remains relatively low compared to older generations. This apathy is often attributed to disillusionment with the political system and a lack of trust in politicians. However, when they do engage, Millennials tend to support progressive policies, particularly those related to anti-corruption, social justice, and environmental sustainability (Maricutoiu & Sulea, 2019).

3.5. Economic participation and challenges

The economic participation of Romanian Millennials has been marked by both opportunity and adversity. On one hand, the country's integration into the European Union has opened up new markets and opportunities for entrepreneurship and innovation. Romanian Millennials are increasingly involved in the tech industry, start-ups, and other sectors that benefit from digitalization and globalization (Popescu, 2013).

On the other hand, economic challenges persist, particularly in terms of job stability and income levels. Many Millennials face difficulties in securing well-paid, long-term employment, leading to a reliance on temporary or freelance work. This economic instability has broader implications for their financial security and life choices, including decisions about marriage, children, and home ownership (Voicu, 2016).

Romanian Millennials, like their counterparts around the world, are a generation shaped by the unique socio-economic and cultural context of their country. While they share many characteristics with global Millennials, such as

technological proficiency and a strong orientation toward digital communication, they are also deeply influenced by the specific historical and economic circumstances of post-communist Romania. As they continue to navigate the challenges and opportunities of the 21st century, Romanian Millennials are likely to play a significant role in shaping the future of their country.

4. Generation Y on the labour market in Romania and the new forms of education

Through the conducted study, a series of realities regarding Generation Y in Romania could be ascertained. The questionnaires regarding "Millennials" were completed by a number of 107 respondents aged between 18 and 33. Regarding the gender of the respondents, it emerged that 77.9% were female, respectively 81 participants, and 22.1% were male, respectively 23 participants. Regarding completed or ongoing studies, most respondents have higher education, of which 34 respondents have completed or are ongoing master's studies. Their answers underline the impact of alternative forms of education, voluntary activities, self-learning as well as the European youth programs in the lives of young people and their role in acquiring useful skills on the labor market among the young beneficiaries.

Figure 1. Gender of the respondents
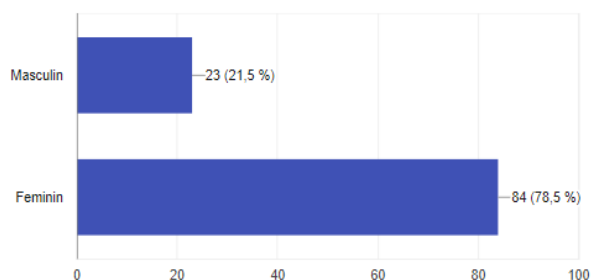
Source: author's representation

To the question "Do you consider that the education you received prepared you for the labour market?" If not, what did you miss?" the answers were varied. Of the respondents, only 23 categorically stated that they believe that the education they received prepared them for the labor market. Other variants in which the respondents confirmed, but added additional mentions were: "Yes (studies abroad)"; "to some extent, yes"; "I didn't miss anything."; "mostly, yes. I consider that the diversity of the subjects was quite wide, and this slightly hindered the specialization towards a

specific field."; "Yes and no, yes in terms of hardness, not in terms of practice"; "Yes, education has prepared me well enough.".

Regarding what was missing and what could be improved in the education system, the answers were also varied, and some were even applied and very interesting. Starting from the idea "If the education received in school did not prepare you for the labor market, what exactly was missing?" the following ideas are counted: "No. I believe that there was a greater applicability of the subjects studied. (2 answers)"; "I think that there is not enough practice or voluntary activities (2 answers)"; "The educational context does not seem to me to be related to the requirements of the market, and the methods are outdated."; "no, there was a lack of application of the acquired knowledge on the labor market"; "No, unfortunately it didn't prepare me. More practice was needed"; "Not quite, not exactly. Universities place more emphasis on theory than practice."; "No, I lacked practical training."; "No, the applicable part of the theory was missing"; "Not necessarily, I believe that practice should have been much more present in the courses received so far.". Generation Y also notices that in addition to the practical applicability of what they learn in theory, they also lack career guidance. Some of the answers suggested this idea, respectively: "No, in no case was I prepared; I missed the practical part, the exposure to what an employer is looking for, guidance and career counseling."; "No, I lacked better orientation/direction."; "Guidance in choosing a career"; "Not quite, not exactly. I believe that a real professional guidance program was missing."

Some of the members of Generation Y also have very interesting and useful suggestions about how the education received could be improved through new forms of education such as: "I believe that in schools there must also be subjects about human rights, how to manage money, the economy, human rights to the employee etc. and providing first aid. Unfortunately, we learn interesting things that we encounter in life, but the most important things (I mentioned them above) are not taught in schools." Another answer worth mentioning is the following: "If we refer strictly to the education received in schools, I believe that finishing an educational cycle (especially at the state) says about the future employee that he has a serious learning capacity and the ability to take things to good ending I know few colleagues who practice in the same field in which they studied, but there is always the desire to learn, improve and overcome the condition.". From what the young people of Generation Y have learned from the old forms of education, the following idea emerges, according to some answers: "The theory helped me very little, but practically, it got me used to working in a team, to following a schedule and some routine, meet deadlines, seek as much information as possible, from as many sources as possible to form an objective opinion. I believe that practically any form of education kind of misses its purpose of preparing us for the labor market, that is if we don't talk about vocational schools, which are so disregarded." Starting from alternative forms or new forms of education, some of the young people of Generation Y believe that: "Subjects are totally meaningless. The school prepared me

exclusively for academic activities totally devoid of any practical application. Totally not adapted. Higher math, physics and chemistry as well. Way too advanced for high school. Both in middle school and in high school and college, 80% of teachers were perceived as unprepared or unsuitable for the teaching activity [...] Everything I know today is thanks to my self-learning ability or the ability of my parents to pay for private meditations." Regarding the fields in which the young participants of the Case Study work and are active on the labor market, a number of 27 respondents work in the economic environment or financial audit, another part works in Human Resources, Marketing, IT, translations, advertising, sales, call center, in the educational field, energy field, foreign affairs, trade, health, in the press, editorial, social assistance, veterinary medicine, telecommunications, technical assistance, logistics, event organization, civil construction, services, architecture, environmental engineering, financial consulting, legal, NGO environment, either they are still students and work in parallel, or they are just studying. To the question "Do you expect the socio-political situation in the country to improve in the next 12 months?", 87.5% of the participants answered negatively and only 12.5% answered positively. This answer shows that the generation's optimism regarding the vision of the future in the short and medium term is no longer as optimistic as in past years and is mostly pessimistic.

Figure 2. Do you expect the socio-political situation in the country to improve in the next 12 months?"
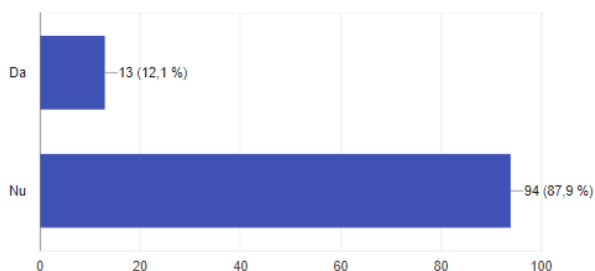
Source: author's representation

To the following question: "Do you expect to have a better financial and emotional situation than that of your parents?", 83.7% of respondents answered affirmatively, and 16.3% answered negatively. This answer shows that, compared to their parents' Generation Z, Generation Y has an optimistic outlook and expects to surpass in long-term achievements what their parents achieved emotionally and socially.

Figure 3. Do you expect to have a better financial and emotional situation than that of your parents?
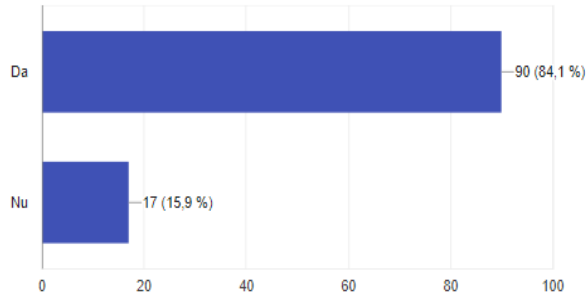
Source: author's representation

Regarding Generation Y's perspective on social progress, when asked "Are you optimistic about the social progress of the world in general?", 61.5% answered yes and 38.5% were negative. From these answers it is clear that Generation Y is mostly optimistic about the social progress of the world in general, which is also clear from the study "The 2017 Deloitte Millennial Survey".[1]

To the question: "What worries you most about the future?", the answers were: 27.9% corruption, 17.3% climate problems, 15.4% social conflicts, 11.5% political tensions , 7.7% concern for health, 5.8% economic issues, 1.9% robots or technology taking over some existing jobs and, to a very small extent, all of the above issues. When they were asked: "Do you consider that the multinational business environment contributes to the development of Romanian society?", 91.3% answered affirmatively, and 8.7% answered negatively.

Also related to multinational companies, to the question: "What do you think is the impact of multinational companies on the future?", 54.8% answered "They have a positive impact", 35.6% answered "They could solve existing problems through social responsibility (CSR- Corporate Social Responsibility), and 9.6% answered that "They have a negative impact". Regarding teamwork in the place where young people are active, to the question: "Do you consider that you work well in the team you are in?", 87.5% answered affirmatively, and 12.5% answered negatively. To the question: "What aspect do you find most important and supported at work?", answered in proportion: 84.1% "Training and continuing professional development", 10.6% skills, and 5.8% education. Following the question: "Do you

---

[1] The 2017 Deloitte Millennial Survey: Apprehemsive millennials: seeking stability and opportunities in an uncertain world: https://www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/gx-deloitte-millennial-survey-2017-executive-summary.pdf.

feel that at work you are given opportunities to make a social impact that matters?", 46.2% answered yes, 27.9% answered no, and 26% answered "don't know".

Figure 4. What worries you most about the future?
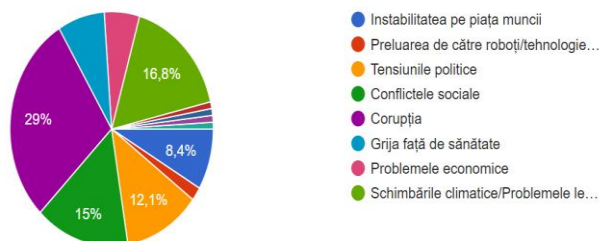
Source: author's representation

Figure 5: "What aspect do you find most important and supported at work?"
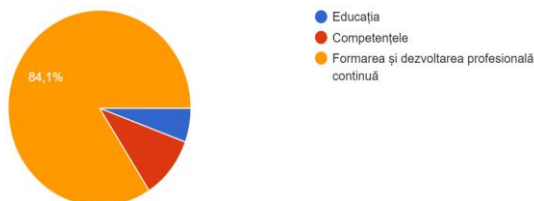
Source: author's representation

To the last question: "What do you think are the most important aspects that young people look for in order to work for a long time in the same company?" respondents had different answers.   In a few words, the members of Generation Y involved in the case study claimed 44.2% that "opportunities for development" were important, 22.1% financial aspects, 7.7% stability, also 7.7 % flexibility, 6.7% international environment, 4.8% continuous learning opportunities, and a smaller proportion of respondents completed that they would tick all the above or added: civic spirit, team, money, social status, and stability.

Conclusions

In conclusion, in the current context of accelerated social innovation, young people must constantly adapt, improve, or reorient themselves in their careers. New learning methods come as an alternative or compensation for formal learning that fails to keep up with the demands of the labour market. Some employers offer

specific training and education, but they also emphasize the skills acquired in college. From the examples of young people, in the United States of America and in some universities in Europe there are counsellors for pupils and students in all periods of transition and study to help them succeed in their chosen path. This rule does not apply in Romania everywhere, or if it does it is only at the legislative level. Young people need advice, guidance, and support throughout their personal and professional development. On this new road, young people must be social innovators, have skills such as the ability to learn quickly, communication, teamwork, etc. Taking all these into consideration the impact of European youth programs on the lives of young people has a positive role in acquiring useful skills on the labour market among the young beneficiaries. Also, the long-life learning process and the European youth programs such as Erasmus Plus and the European Solidarity Corps continue to open minds and change the lives of the beneficiaries and support them to gain useful skills on the labour market.

The findings and conclusions presented underscore the critical need for young people to continuously adapt and improve their skills in an era of rapid social innovation. The evolving demands of the labour market are placing increased pressure on traditional educational systems, which often struggle to keep pace. Consequently, alternative learning methods and opportunities have emerged, playing a crucial role in bridging the gap between formal education and the skills required by modern employers.

One of the key insights from this study is the growing importance of non-formal education and youth programs, such as Erasmus Plus and the European Solidarity Corps. These initiatives are not only helping young people acquire essential skills for the labor market, but they are also fostering a mindset of lifelong learning. This approach is particularly valuable in the current context, where the ability to learn quickly, communicate effectively, and work collaboratively are highly prized by employers.

The role of career counselling and guidance is another critical aspect highlighted in the discussion. In countries like the United States and certain European nations, structured support systems are in place to assist students during key transitions in their academic and professional lives. This includes career counselling services that provide personalized guidance, helping students navigate the complexities of choosing and succeeding in their chosen career paths. These services have proven effective in enhancing students' readiness for the labor market, thus contributing to their overall success.

However, the situation in Romania presents a stark contrast. While legislation may mandate the provision of counselling services, the actual implementation of these services is inconsistent, and often limited. This gap in support leaves many young Romanians without the necessary guidance during critical periods of their education and career development. This inconsistency highlights a significant area for improvement, suggesting that Romania could benefit from adopting best

practices from other countries where career counselling is more integrated into the education system.

The discussion also brings to light the necessity for young people to become social innovators. In a rapidly changing world, merely possessing traditional academic qualifications is no longer sufficient. Instead, there is a growing emphasis on developing a broader set of skills, including adaptability, creativity, and social responsibility. These skills are increasingly recognized as crucial for both personal and professional success, particularly in a labor market that values innovation and the ability to respond to emerging challenges.

European youth programs play a vital role in this regard. By providing opportunities for young people to engage in diverse experiences, these programs not only enhance their professional skills but also contribute to their personal growth. Participants in programs like Erasmus Plus often report increased cultural awareness, improved language skills, and a greater sense of European identity. These experiences are invaluable in preparing young people for the complexities of the modern labour market, where cross-cultural communication and global awareness are increasingly important.

Moreover, the long-term impact of these programs should not be underestimated. As participants carry the skills and knowledge gained from these experiences into their careers, they contribute to a more dynamic and innovative workforce. This, in turn, benefits the broader economy by fostering a culture of continuous improvement and adaptability.

In conclusion, the discussion emphasizes the importance of both formal and non-formal education in preparing young people for the labor market. While traditional education remains a cornerstone of career preparation, the rapidly changing demands of the modern workforce necessitate a more holistic approach. This includes the integration of alternative learning opportunities, robust career counselling services, and the development of a broad set of skills that go beyond academic achievements. For countries like Romania, there is a clear need to enhance support systems for young people, ensuring that they have access to the guidance and resources necessary to succeed in a competitive global labor market. By embracing these changes and continuing to invest in programs that support lifelong learning and skill development, we can better equip the next generation to thrive in an increasingly complex and dynamic world.

References

Aristotle. (1998). *Politics* (C. D. C. Reeve, Trans.). Hackett Publishing Company.

Ballantine, J. H., & Hammack, F. M. (2015). *The sociology of education: A systematic analysis* (7th ed.). Pearson.

Bruner, J. S. (1996). *The culture of education*. Harvard University Press.
https://doi.org/10.2307/j.ctv136c601

Comenius, J. A. (1957). *The great didactic* (M. W. Keatinge, Trans.). Russell & Russell.

Coteanu, I., Seche, L., & Seche, M. (1998). *Dicționarul explicativ al limbii române* (Ediția a II-a). Univers Enciclopedic.

Dewey, J. (1916). *Democracy and education: An introduction to the philosophy of education*. Macmillan.

Diaconu, M. (2004). *Sociologia educației*. Editura ASE.

Durkheim, É. (1956). *Education and sociology* (S. D. Fox, Trans.). Free Press.

Garrison, D. R., & Anderson, T. (2003). *E-learning in the 21st century: A framework for research and practice*. Routledge. https://doi.org/10.4324/9780203166093

Gutek, G. L. (2014). *Philosophical, ideological, and theoretical perspectives on education* (2nd ed.). Pearson.

Horovitz, B. (2012, May 4). After Gen X, Millennials, what should next generation be? *USA Today*.

Howe, N., & Strauss, W. (2000). *Millennials rising: The next great generation*. Vintage Books.

Karlson, K. (2003). The Net generation and education: A contemporary perspective. *Journal of Technology and Teacher Education, 11*(4), 19–28.

Maricutoiu, L. P., & Sulea, C. (2019). Work attitudes and behaviors of Romanian Millennials: Evidence from the workplace. *Romanian Journal of Applied Psychology, 21*(2), 89–104.

Meister, J. C., & Willyerd, K. (2010). *The 2020 workplace: How innovative companies attract, develop, and keep tomorrow's employees today*. HarperCollins.

Pew Research Center. (2014). *Millennials in adulthood: Detached from institutions, networked with friends*. Pew Research Center.

Popescu, R. (2013). Romanian Millennials: Values, beliefs, and experiences. *Journal of Social Research & Policy, 4*(2), 11–22.

Sandu, D. (2017). Migration waves and demographic restructuring in Romania. *Population and Development Review, 43*(1), 197–220.

Strauss, W., & Howe, N. (2000). *Millennials rising: The next great generation*. Vintage Books.

Twenge, J. M. (2006). *Generation me: Why today's young Americans are more confident, assertive, entitled—and more miserable than ever before*. Free Press.

Twenge, J. M. (2017). *iGen: Why today's super-connected kids are growing up less rebellious, more tolerant, less happy—and completely unprepared for adulthood*. Atria Books.

Ulrich, C. (2007). *Postmodernism și educație*. Editura Didactică și Pedagogică, R.A.

Veen, W. (2001). *Homo Zappiens: Growing up in a digital age*. Network Continuum Education.

Voicu, B. (2016). The Romanian youth: Between traditional values and modern challenges. *Journal of Youth Studies, 19*(3), 379–397.

Voicu, M., & Voicu, B. (2017). Youth in Romania: Challenges and opportunities in a changing society. *European Sociological Review, 33*(1), 1–13.

Societal resilience during crises – how the Romanian society fared during the pandemic and the war in Ukraine

🅾 **Daniela Munteanu**✉

National School of Political Science and Public Administration: Bucharest

Abstract: The present paper explores the dynamics of societal resilience to disinformation during periods of significant shocks, such as war, political unrest, and public health emergencies. Utilising a comprehensive framework, rooted in Euro-Atlantic conceptual approaches, regulations, and strategic policies, we analyse how various factors – such as media literacy, social cohesion, trust in institutions, and the robustness of information ecosystems – contribute to a society's ability to withstand and manage the spread of false information. Through the case study on Romanian society facing two of the decade's greatest shocks, we hope to contribute to the broader discourse on disinformation by exploring the role of governmental and non-governmental initiatives in enhancing media literacy and fostering a resilient public sphere. The main goals of the paper are to provide informed insights and actionable recommendations for policymakers, educators, and community leaders aiming to build more informed and resilient communities in the face of disinformation.

Keywords: resilience, disinformation, crises, Romania, pandemic, war

Introduction

Throughout the past decades, European society has been facing many different challenges. The world as we know it is being transformed by climate change, demographic imbalances, migration pressures, and crises – past and current – like the Covid-19 pandemic or the Russian illegal war in Ukraine. How did, then, the pandemic and war in Ukraine affect the world at large and Europe in particular, and what is the impact of the two crises on societal and democratic resilience? The answers to these questions are not easy to formulate, as the complexity of the two crises is so great, that it is difficult to fully grasp their impact on our lives yet. While the pandemic brought about the mere collapse of health systems throughout the world, economic hardship, failures in supply chains, and life loss, it was the erosion of democratic and societal resilience that proved to be the Nemesis of the Euro-

✉ PhD Student Doctoral school, National School of Political Science and Public Administration: Bucharest, Romania; e-mail: daniela.munteanu85@gmail.com.

Atlantic community of values. Information manipulation, under its many forms, exploded, as it found fertile ground in citizens' dissatisfaction with measures imposed by authorities – their rights and freedoms restricted on account of a virus that was so little documented and understood. The pandemic suddenly turned into a complimentary 'infodemic' that the ensuing war in Ukraine only amplified. The term 'infodemic' was coined as early as 2003 by political analyst David Rothkopf, but it wasn't until 2020 that it gained traction and popularity, after having been invoked by World Health Organisation Director-General, Tedros Adhanom Ghebreyesus, during the Munich Security Conference (Ghebreyesus, 2020). According to its 2020 definition, the 'infodemic' is an overabundance of accurate and inaccurate information that occurs during an epidemic. The portmanteau term came into being because it links information to the viral way it spreads during an epidemic, via digital and physical information systems. Infodemics make it hard for people to find trustworthy sources and reliable guidance when they need it (World Health Organisation, 2020, p. vii). Despite being contested and rebuked by some scholars (Simon & Camargo, 2023), since its initial popularity boost during the COVID pandemic, the 'infodemic' concept has stuck and been stretched to refer to diseases of the information space, regardless of the existence of an ongoing pandemic – the Cambridge Dictionary defines it as 'a situation in which a lot of false information is being spread in a way that is harmful' (Cambridge Dictionary, 2024).

Drawing from the data collected in Romania before, throughout and after the pandemic, as well as at the onset of the Ukrainian war, and 2024, the paper elaborates on findings related to media consumption, perceptions of exposure to disinformation, media literacy and their implications for societal resilience. Furthermore, it covers some of the protective measures taken against the influence of disinformation and propaganda in Romania, along with further suggestions on remedial actions that could be adopted to limit disinformation and mistrust in institutions.

1. Information manipulation – a major threat to resilience during crises

In the face of global crises – ranging from pandemics and natural disasters to geopolitical upheavals – societal resilience emerges as a pivotal concept. This resilience, broadly defined as the ability of communities to resist, absorb, accommodate, adapt to, transform, and recover from the effects of a hazard in a timely and efficient manner (Keck & Sakdapolrak, 2013), is crucial for sustaining societal functions, structures, and identity. In the aftermath of the COVID-19 pandemic, resilience has become a central concept for the European Union (EU), which even envisaged the possibility of transforming crises into opportunities, by concentrating on fair and sustainable transitions, which would allow our societies to emerge stronger from shocks (2020 Strategic Foresight Report. Strategic Foresight – Charting the Course Towards a More Resilient Europe, 2020, p. 6). Nevertheless, in order to be able to achieve this most ambitious goal, we have to acknowledge and

understand our vulnerabilities and the most poignant risks facing our communities. According to the EU's 2020 Strategic Foresight Report, the most influential drivers that will shape the future stem from digitalisation, climate, socio-economic and geopolitical challenges.

The Union's Strategic Compass, a document that lays the ground for Europe's major priorities for the rest of the decade, mentions resilience more than 40 times, making it a core concept for our shared security and future (A Strategic Compass for Security and Defence - For a European Union That Protects Its Citizens, Values and Interests and Contributes to International Peace and Security, 2022). Drafted and launched in the aftermath of the pandemic and just after the onset of the Russian attack on Ukraine, the Strategic Compass underscores the prominent role that mass media and digital technologies can play when it comes to both disrupting and fostering societal resilience: "We will firmly respond to foreign information manipulation and interference, as we did through our decisive and coordinated action against Russia's disinformation campaign in the context of its military aggression against Ukraine. We will continue to do so in full coherence with EU internal policies, by establishing a common understanding of the threat as well as further developing a range of instruments to effectively detect, analyse and address it and impose costs on the perpetrators of such activities. To enhance our societal resilience, we will also strengthen access to credible information and free and independent media across the Union." (A Strategic Compass for Security and Defence - For a European Union That Protects Its Citizens, Values and Interests and Contributes to International Peace and Security, 2022, p. 22). In the ensuing years, the EU has kept the promises it made towards its citizens and implemented the Digital Services Act (DSA), which imposes costs on perpetrators of disinformation, such as very large online platforms (VLOPs) (Digital Services Act, Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and Amending Directive 2000/31/EC (Digital Services Act), 2022, Article 59). In 2023, the EU also launched its first report on foreign information manipulation and interference, through which it developed the EU toolbox to address and counter the phenomenon (European Union External Action, 2023, p. 8).

For the purpose of this study we will operationalise societal resilience to disinformation as the unwillingness to engage with disinformation in any way – with this taking the form for online disinformation of refusing to share, like, and comment on the distrusted piece of information (Lewandowsky et al., 2021).

2. Factors impacting societal resilience before and after the pandemic

Several key factors hold together the fabric of societal resilience, such as social cohesion, interpersonal bonds and their strength, trust in authorities and mass media, as well as the conviction that the rule of law applies to all members of society

to the same extent (Bodas et al., 2022). All of these elements of societal resilience were deeply impacted by disinformation, which spread exponentially – facilitated by the interconnectivity of our digital infrastructure and boosted by the general feeling of fear, anxiety, and frustration. For the purposes of this study, we will refer to all facets of incorrect or misleading information spread in the infosphere as disinformation. Therefore, since the scope of the article is rather to analyse how societies were impacted by crisis from a resilience to disinformation standpoint, we will not dwell on such distinctions as misinformation, information (influence) operations (Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the European Democracy Action Plan, 2020, p. 18), malinformation, foreign information manipulation and interference (European Union External Action, 2024, p. 4) and other terminology coined by different conceptual frameworks proposed at international level (Wardle & Derakhshan, 2017).

Even well before the pandemic, in 2016, European citizens had become worried about media independence, with only a slight majority agreeing that their national media provided trustworthy information (European Commission, 2016). In the following two years, media mistrust was aggravated by the fact that disinformation started to pose a threat with a serious negative effect on democracies all over the world (Allcott & Gentzkow, 2017; Office of the Director of National Intelligence, 2017; Federal Bureau of Investigation, 2018). In order to better grasp the phenomenon and bring awareness to it, in February 2018, the EU published a flash Eurobarometer reporting on "levels of trust in news sources and awareness of disinformation", as well as "impact of disinformation and responsibility for addressing the problem". The findings indicated that 83% of respondents considered disinformation as a danger to democracy and that they were aware and apprehensive that disinformation was intentionally aimed at influencing elections and immigration policies. Similarly to the 2016 survey mentioned above, the 2018 flash Eurobarometer also reiterated public preoccupation with media quality: EU citizens perceived traditional media to be the most trusted source of news (radio 70%, TV 66%, print 63%), whereas online sources of news and video hosting websites were the least trusted, with rates of 26% and 27% respectively (European Commission, 2018). Users of online social networks demonstrated higher levels of trust in online sources. The study found that among individuals who used online social networks daily, 60% expressed trust in news and information from online newspapers and news magazines. This percentage dropped to 29% among those who used online social networks infrequently or never. A similar trend was evident for trust in online social networks, messaging apps, video hosting websites, and podcasts. However, even among daily users of online social networks, only a minority expressed trust in these two sources, at 38% and 37%, respectively. Analysing data available from global, EU and national surveys issued throughout the past decade (European Commission, 2016, 2018; INSCOP, 2023, 2024; Newman et al., 2020, 2022, 2023),

we conclude that distrust towards social platforms remains constant throughout the years only for the older population, while teenagers and young adults, who have grown up with social media, "often pay more attention to influencers or celebrities than they do to journalists, even when it comes to news" (Newman et al., 2023, p. 10).

3. Methodology

This study employs a mixed-methods approach, integrating both qualitative and quantitative data to provide a comprehensive analysis of media consumption, perceptions of disinformation, media literacy, and societal resilience in Romania. For the present analysis, a total of nine national, European and global surveys were used. Nevertheless, the Romanian case study is mainly anchored in an extensive national survey. In this 2-part comprehensive quantitative research focusing on Romania[1], we assessed the population's perception of information sources and resilience to disinformation. The study was conducted as part of an interinstitutional project – carried out by the Ministry of Foreign Affairs, the National School of Political and Administrative Studies, and the Euro-Atlantic Resilience Centre (Romanian Ministry of Foreign Affairs, 2022). The first section of the study examined the population's perception of information sources, covering aspects such as access to social networks, frequency of information consumption, preferred information sources, trust in information sources, and an in-depth analysis of media consumption and trust in media channels. The second section delved into the resilience of the Romanian population to disinformation, exploring freedom of expression, internet freedom, perception of personal and others' exposure to disinformation, and in-depth analysis of information sources

The overall data collected, compared and analysed from all nine surveys spans several critical periods, including the pre-pandemic era, the duration of the COVID-19 pandemic, the onset of the Ukrainian war, and the year 2024. These temporal milestones allow for a longitudinal perspective on the evolving media landscape and its impact on Romanian society. The case of Romania provides an in-depth exploration of the specific factors that correlate with a demonstrated low resilience to disinformation. The perspective offered by the analysis is also enhanced due to the country's unique position at the intersection of several geopolitical influences and its recent history of significant socio-political changes.

The quantitative component of this research involves survey data resulting from representative samples of the respective populations that were administered the questionnaires. Surveys were administered at multiple points in time to capture shifts

---

[1] The sociological study was quantitative, conducted through a questionnaire-based sociological survey, applied via telephone interviews (CATI). The sample consists of 1070 individuals, representative at the national level for the adult population of Romania over 18 years old. It is representative across socio-demographic categories (gender, age, occupation). The sample's margin of error is ±3% with a 95% confidence level.

in media consumption habits, exposure to disinformation, and trust in institutions. Key variables measured include:
- frequency and types of media consumption (e.g., television, online news, social media);
- self-reported exposure to disinformation and perceived credibility of different media sources;
- media literacy skills, assessed through questions on self-perceived ability to detect disinformation;
- trust in various institutions, including government, media, and international organisations (EU, NATO).

Thematic analysis was used to identify common themes and patterns in the qualitative approach, enriching the understanding of the quantitative findings and providing context-specific insights.

4. Romanians' societal resilience to crises – a case study

4.1. Strategic framework

According to the National Defence Strategy for 2020-2024 (NDS), Romania's resilience is addressed bidirectionally: "the inherent capacity of entities - individuals, communities, regions, state - to resist and adapt to violent events, causing stress, shock, disasters, pandemics or conflicts, on the one hand, and the ability of these entities to quickly return to a functional state, normalcy, on the other hand" (Romania Presidential Administration, 2020).

Therefore, societal resilience to propaganda and disinformation in the context of the pandemic crisis – our subject at hand – is a granular approach to the broader concept of resilience. The sanitary crisis can be turned into a useful opportunity for an in-depth analysis of how Romanian citizens managed to resist, adapt and return to some degree of normalcy despite the informational aggressions during the pandemic. Research carried out into representative samples of the Romanian population before, during and after the pandemic can offer insight into how Romania has been navigating the disinformation tide and if we, as a society, were able to overcome – or even come out stronger from – the negative impact of informational diseases.

Strengthening national resilience is a long-term process that requires governmental coordination and collaboration with the private sector and civil society. The modernization of Romania and adaptation to technological advances cannot be achieved sustainably without considering the resilience component, both in terms of critical infrastructures and in the field of information.

Even though the NDS sets a general framework for strengthening resilience and reducing vulnerabilities, while recommending a flexible multidimensional approach, there is still consistent work to be completed when it comes to devising

mechanisms at national, regional, and local levels. Civil society initiatives (Aspen Institute, 2021) have started to benefit from international funding and have become active in the field of disinformation dismantling and awareness (Romanian Journalists International Alliance, 2020). Nevertheless, they remain scarce and a more comprehensive and coordinated approach is needed to reach more of the potential victims of information manipulation. The collaborative efforts of academia and governmental institutions also started to come to fruition over the past years, having already resulted in public policies which will increase institutional and societal resilience.

In May 2024, the first public policy aimed at preparing institutions to face current and future crises resiliently was adopted at a national level. The *Public policy for the implementation and development of resilience in the functioning of central public institutions* (Cancelaria Prim-Ministrului României, 2023) was drafted by the Euro-Atlantic Resilience Centre, as part of a project carried out in partnership with the Prime Minister's Chancellery and the "Alexandru Ioan Cuza" University of Iasi. The resulting policy was informed by wide consultation with institutions that possess sectoral mandates and integrated the latest examples of good practice at the international level. The policy provides a framework for integrating fragmented efforts of assessing vulnerabilities, developing crisis management plans, increasing crisis response capacity, promoting transparency and accountability, integrating sustainability factors, resource allocation efficiency, education and awareness at the level of institutions and that of the population. The implementation of this policy is to begin shortly, with a realistic action plan, which provides a set of feasible activities with clear deadlines, activities and quantifiable objectives. The operationalisation of the action plan started with the establishment of the RESILIENT institutional committee.

In the field of resilience to online disinformation, a public policy proposal was drafted as a result of the collaborative work of yet another academia-government partnership, having as members the Romanian Ministry of Foreign Affairs (MFA), the National School of Political Studies and Public Administration and the Euro-Atlantic Resilience Centre. The proposal aims to strengthen the capacity of the ministry to anticipate, detect, analyse and counter the phenomenon of online disinformation in the field of foreign affairs, respectively to bolster resilience at the national level in the face of these threats, following the institutional mandate of the MFA.

Both of the aforementioned consortiums also organised capacity-building courses and workshops for diplomats, decision-makers and public servants operating at international, central and local levels in order to increase awareness and equip them with the necessary tools for enhancing societal resilience.

As resilience covers all stages of a crisis, our recommendations for positive transformations which could strengthen society's ability to ensure its resilience

within the information and digital realms range from prevention (where possible) to adaptation and measures aimed at containing damage.

The legislative and institutional framework analysis reveals a small number of tools, which are also imperfectly calibrated to manage disinformation propagation competitively in the current stage of technological advancement. Unfortunately, in Romania, neither the legal provisions nor the institutions called upon to reduce information manipulation cover the whole spectrum of threats. This allows fewer opportunities for rapid and effective management of the infodemy (Munteanu, 2022, p. 10). Important progress is expected as the Digital Service Act (DSA) was transposed into national legislation (Law 50/2024) starting March 22nd 2024 (Bijnea, 2024). The DSA and its transposition into national law regulate very large online platforms (VLOPs) and require them to be more transparent regarding content moderation practices, and the way the algorithms recommending content or advertising systems work. VLOPs will have to remove illegal content and protect users from manipulating the behaviours of third parties, such as advertisers and publishers who pay to promote their posts. Failure to comply with these provisions will result in fines that can amount to 6% of the operators' revenues. Moreover, VLOPs will also have to undergo independent audits that assess their compliance with the DSA, while, at the same time, empowering users to decide on what they see online and report harmful content (Digital Services Act, Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and Amending Directive 2000/31/EC (Digital Services Act), 2022). The process of implementing the provisions of the Digital Services Act is well underway in Romania, with steps being taken by VLOPs and national authorities to manage the spread of malicious information directed at manipulating public opinion. According to Google's Global Affairs Representative for Romania, the platform has already launched a close dialogue and cooperation with the National Authority for Communications Administration and Regulation (ANCOM) – the authority designated to coordinate DSA implementation in Romania – and is also working closely with the National Cyber Security Directorate – which is the Romanian national cyber security and incident response team.

4.2. Information manipulation as a driver of social cleavage

When assessing societal resilience, it is relevant to look at how the Romanian society withstood the two largest and most recent crises. By analysing data collected throughout the years, we draw conclusions about systemic vulnerabilities and ways to move towards a better-prepared society in the face of shocks.

The pandemic represents the most significant challenge faced by Romanian society in recent history. Our societal resilience was subjected to a confluence of threats, including jeopardy to individuals' health and lives, disruptions to essential

services (healthcare, food, education, etc.), and temporary restrictions or conditions on certain rights and freedoms (Munteanu, 2022).

The widespread dissemination of inaccurate or deceptive information both online and offline, combined with the challenges faced by social media platforms in effectively moderating such content, as well as initial difficulties encountered by authorities in exposing information manipulation to the public, resulted in a general feeling of cognitive chaos or "information disorder" (Wardle & Derakhshan, 2017) which, in turn, triggered anxiety. Public trust in the measures proposed by the international community and the Romanian government to control the spread of the virus (such as mask-wearing, movement restrictions, and vaccination campaigns) was thus greatly shaken.

Over the past decade, it has been observed that the information landscape naturally adjusts to current situations, with the spread of disinformation transitioning from one topic (Covid-19 pandemic) to another (war in Ukraine) in different European countries (Ntatzis, 2022; Eurocomunicare, 2022). Despite variations in terminology depending on the context, the dissemination of disinformation relies on consistent mechanisms and perpetuates fundamental narratives that are widespread across various subjects. The primary goal of this manipulation is to erode public confidence in Romania's democratic and Euro-Atlantic strategic alignment. The information sphere has now become a space that is disputed by major geopolitical players trying to attract states from around the world into their sphere of influence and whoever has technological supremacy rules the world (Bârgăoanu, 2018, p. 31).

The infodemy or dissemination of false and manipulative information during the sanitary crisis has subversively exploited the confusion and fear experienced by the Romanian populace throughout the pandemic, but it has also likely weakened the general resilience to disinformation altogether, as research shows the nefarious effects of psychological drivers of disinformation on ideation (Ecker et al., 2022).

Periodic opinion polls and studies conducted during the pandemic (Eurocomunicare, 2022; European Parliament, 2021; Mosila, 2023) have shown that Romanian citizens have internalized the conspiracy narratives circulating globally. Contrary to expectations, globalization and easy access to information – whether in virtual spaces or traditional media – have not resulted in a better-informed public (Bradshaw & Howard, 2019; Mosila, 2023). Instead, conspiracies and disinformation have predominated, undermining the arguments the scientific community and authorities presented. National surveys carried out long after the end of the pandemic show that Romanians' perceptions towards media channels spreading disinformation reflect deep mistrust towards the accuracy of the information they circulate. The most recent national survey carried out on a representative sample of the Romanian population shows that 43% of Romanians consider social media platforms to be exposed to propaganda and disinformation, with almost 38% showing the same mistrust for TV stations (INSCOP, 2024). The same survey shows that social networks are believed to be the most exposed to

disinformation, especially by people under 45, those with higher education or white-collar workers.

The crisis highlighted the disruptive role of modern communication and content-processing technologies, such as artificial intelligence. This situation underscored the need for resilience-building efforts to be tailored to address new types of threats, particularly in the context of the digital revolution.

Looking at societal resilience against disinformation and hybrid threats in the aftermath of the COVID-19 pandemic and 6 months into the Ukraine war through a 2-part comprehensive quantitative research focusing on Romania[2], we assessed the population's perception of information sources and resilience to disinformation. The study was conducted as part of an interinstitutional project (Romanian Ministry of Foreign Affairs, 2022) and reveals that 9 out of 10 Romanians believe that disinformation can significantly lead to citizens being incorrectly informed. Additionally, 90% of Romanians consider that disinformation can also lead to a decrease in trust among people. Similarly, 89% of respondents indicated that disinformation greatly contributes to the deterioration of Romania's image abroad and the decline of trust in state institutions.

Conversely, over two-thirds of the subjects (69%) believe that disinformation can hamper citizens' ability to solve community problems. Men, individuals living in the Western region of the country, and those without Internet access are more likely to notice these negative effects of disinformation compared to other respondents. Furthermore, individuals with higher education levels consider more frequently that the effects of disinformation include incorrect information and decreasing trust in institutions. Additionally, individuals with accounts on Telegram or Twitter deem that disinformation is the cause of the incorrect information of the population. In contrast, those with lower levels of education mentioned more frequently a decrease in trust among people and the worsening of Romania's image as consequences of the spread of disinformation.

Romanians are avid consumers of news, with two-thirds reporting that they follow news daily on topics of interest to them. Television remains the primary source of information for the Romanian population. However, compared to a decade ago, social media platforms have significantly risen in preference, with one-third of Romanians stating that they most frequently get their news from these sources. The most utilised social media platforms among Romanians are Facebook, WhatsApp, and YouTube. Additionally, over a third of respondents have accounts on TikTok or Instagram. A closer look at research investigating the most prolific platforms for spreading disinformation will clarify the steep increase in information manipulation

---

[2] The sociological study was quantitative, conducted through a questionnaire-based sociological survey, applied via telephone interviews (CATI). The sample consists of 1070 individuals, representative at the national level for the adult population of Romania over 18 years old. It is representative across socio-demographic categories (gender, age, occupation). The sample's margin of error is ±3% with a 95% confidence level.

that has victimised Romanian society (Allcott & Gentzkow, 2017; Anspach & Carlson, 2020; Cinelli et al., 2022; Theocharis et al., 2023).

Over half of adult Romanians report receiving news on topics of interest daily through social media or messaging platforms, with a higher frequency observed among active individuals aged 30-44. Conversely, two-thirds of Romanians state that they share news on social media or instant messaging platforms with friends at varying frequencies. If we take into consideration that disinformation spreads faster and more widely than accurate information on social media platforms (Vosoughi et al., 2018) and that heavy social media use is correlated with susceptibility to disinformation (Morosoli et al., 2022), we get a better grasp of how disinformation encompasses the Romanian information space.

Paradoxically, the credibility of information sources is inversely proportional to the frequency with which they are followed. Thus, the least followed source of information (radio stations) is considered the most trustworthy by Romanians. The highest distrust is directed toward information disseminated by influencers, bloggers, and content received or read on social media, a conclusion of the Romanian population that is also backed by research (Lazer et al., 2018).

Freedom of expression is an essential value for the vast majority of the population (over 90%). Romanians hold a similar view regarding the unrestricted use of the Internet. These data highlight the population's attachment to the values of freedom exercised in the online space. They also indicate potential limits to any restrictive measures aimed at combating disinformation, especially if not accompanied by convincing explanations.

Romanians consider they are personally less exposed to disinformation compared to the exposure of their close ones or the general population, a misleading impression that has been shown to indicate higher vulnerability to disinformation (Yang & Tian, 2021). Over 80% of Romanians believe that the general population is exposed to disinformation, creating the necessary backdrop for the expectations and need for intelligent public policies to counter informational aggression, either through direct counteraction or public education.

Social media channels (Facebook, Instagram, TikTok) are considered the most exposed to the spread of disinformation both by Romanian citizens and research findings (Humprecht et al., 2020, 2023; Morosoli et al., 2022). Even those Romanians who most frequently get their news from social media (Facebook, Instagram, TikTok, YouTube) consider these platforms to be the most exposed to disinformation propagation.

The correlation between the frequency of media consumption and the perception of personal exposure to disinformation shows a high level of public awareness regarding exposure to disinformation. Nearly two-thirds of Romanians who report following news daily on topics of interest believe they have been exposed to disinformation or disinformation to a large or very large extent in recent months.

The idea that people should protect themselves from the influence of disinformation or propaganda is shared by 40% of the population. In comparison, 60% believe that protection should come from other entities: namely, state institutions (38%) and the media or journalists (22%). The large percentage of those who believe in self-protection is encouraging from the perspective of educational processes that should help raise public awareness. On the other hand, the fact that only 38% expect protection from state institutions and 22% from media/ journalists indicates a certain level of distrust in the two types of entities. Low trust in governmental institutions and mainstream media increases the vulnerability to unverified alternative sources of information and was proven to be directly linked with permeability to disinformation (Surjatmodjo et al., 2024, p. 6).

Although most Romanians claim that they always or often verify the information they read or hear to assess its credibility, only 4% of respondents can identify verification tools. Even when such tools were indicated, they were irrelevant. Only 2 out of 1070 respondents correctly named a fact-checking source, which demonstrates that most of the population rarely uses such tools. A possible explanation for the high proportion of the population claiming to verify news could be provided by the fact that approximately three-quarters of Romanians (72%) stated that they rely on their knowledge and intuition to "verify" the authenticity of news.

State actors that claim a role in the geopolitical order have proven sophisticated enough to use computational propaganda and information manipulation for foreign influence operations (Bradshaw & Howard, 2019; Eady et al., 2023; European Union External Action, 2024; Report on Foreign Interference in All Democratic Processes in the European Union, 2023). When it comes to countries perceived as most involved in propaganda, disinformation, and the spread of disinformation in Romania, the list is dominated by Russia, seen as an aggressor by half of the Romanian population.

5. Potential proposals for an integrated national approach

As societal resilience is under the looming threat of disinformation and digital manipulation, no intervention could be effective outside of a whole-of-society framework – NGOs, government, private sector, academia and civil society must come together to create a safer informational space. Any measures should be devised not only for central-level implementation but also for regional and local communities and administrations, making sure that governmental provisions are streamlined to the most remote areas of the country.

Having investigated the specifics of how Romanian society faced information manipulation and chaos during crises, we derive a set of conclusions concerning the impact of deceptive narratives on the societal resilience displayed by Romanian citizens. These insights are based on the case study presented in the present paper, as well as other research papers reporting on the phenomenon as it unfolded in the

Euro-Atlantic community. The measures to strengthen societal resilience to disinformation can be integrated into public policies, strategic documents, as well as normative approaches, as they are informed by the expertise of individuals approaching the disinformation phenomenon from multiple perspectives, including academia, journalism, sociology, think tanks, and industry. Building resilience through education is a gradual process, and any efforts in this direction should aim at achieving short-, medium-, and long-term objectives.

In the realm of public discourse, the management of disinformation has become a critical concern. One pivotal strategy in this regard involves the inoculation of the public against false information. By implementing this approach, individuals can be more effectively shielded from the potentially harmful effects of deceptive content.

The dissemination of accurate and credible information is essential in countering the spread of disinformation. By proactively providing the public with reliable sources and fact-based narratives, the impact of false information can be mitigated. Additionally, fostering critical thinking skills and media literacy among the populace can further enhance their ability to discern the veracity of information encountered in the public sphere. A recent study found that most research on the issue rendered a negative correlation between digital literacy and vulnerability to disinformation (Surjatmodjo et al., 2024, p. 6).

Moreover, collaboration between governmental bodies, media organizations, and technology companies is imperative in combatting disinformation. The groundwork set in place by the DSA and its transposition into national legislation is foundational work, but much remains to be done at regional and local levels to raise awareness of disinformation and increase societal resilience to it. Through coordinated efforts, comprehensive strategies can be developed to address the multifaceted challenges posed by the proliferation of false information. Additionally, the implementation of transparent policies and ethical guidelines within these entities can contribute to the creation of a more trustworthy information environment.

At a personal intervention level, flagging and reporting common sources of disinformation can help mitigate their success in promoting new articles. Raising awareness of hostile or influential actions in the digital environment through traditional or online media channels is essential. This can help counteract messages that promote values contrary to national interests.

Facilitating accessible and transparent public instruments to expose disinformation sources, their products, and narratives is critical. Establishing fact-checker networks is also important, involving the identification of relevant actors, training new experts, and providing funding for these initiatives. As a final critical step, large-scale popularisation of fact-checking work through media channels with large followership remains key in increasing awareness.

Enhancing cooperation with communication platforms, especially during crises, is vital to increase transparency regarding disinformation and influential

operations. Such collaborations can help in effectively addressing the spread of false information.

In addressing the challenges posed by disinformation, medium-term strategies may involve a multifaceted approach. Strengthening the capabilities of academia, think tanks, NGOs, and mass media to counter disinformation is crucial. This can be achieved through collaborative efforts aimed at enhancing the ability to critically evaluate and respond to misleading information.

Furthermore, enhancing the strategic communication and counter-disinformation capabilities of relevant public institutions is pivotal. This can be achieved through the implementation of pre-bunking strategies, crisis communication protocols, and early-warning instruments to effectively combat the spread of disinformation.

In addition to the medium-term strategies, long-term approaches are essential for the sustainable mitigation of disinformation. Aside from quality education, implementing media literacy programs tailored for all population segments is vital to foster the development of skills in identifying credible sources and verifying online information. These programs can help empower individuals to critically engage with the vast amount of information available to them.

Raising awareness about influence operations conducted through mass media and social media by malign state actors is equally important, especially since security crises are ever more present all over the world and the global order will continue to be challenged by emerging global superpowers. It is crucial to emphasize the use of proxies or different domains (e.g., culture) to conceal the actors behind disinformation campaigns. By shedding light on these tactics, individuals can be better equipped to discern and counter such efforts.

Conclusions

Technological advancements with disruptive potential, such as algorithms driving social networks, were extensively and opportunistically exploited for monetary gain by major online platforms like Meta. This facilitated the global spread of misleading information with sometimes severe consequences. Information was often weaponized to achieve geopolitical objectives, thereby undermining democratic resilience. Malicious interventions on social platforms, through bots or fake accounts, for example, resulted in excessive polarization of public opinion, influencing or restricting democratic debate, and increasing distrust in democratic institutions and Euro-Atlantic structures. The transnational nature of electronic communications, the limited regulation of virtual spaces during the pandemic and the onset of the Ukrainian war exponentially facilitated the spread of these information operations.

Disinformation poses a significant threat to institutional stability, jeopardizing the normal functioning of democratic systems (Bennett & Livingston, 2018; Boese

et al., 2021; Report on Foreign Interference in All Democratic Processes in the European Union, 2023). The threat level generated by disinformation campaigns escalates when coordinated with other asymmetric tools, utilising flexible action systems that combine various communication channels.

In an increasingly interconnected world, it is essential to adapt to the global strategic environment where various actors employ hybrid methods to shape public discourse and strategic decisions, manipulating information and communication processes. Consequently, the optimal functioning of democratic systems is continually made vulnerable and even endangered, by disinformation campaigns orchestrated by both state and non-state entities (Surjatmodjo et al., 2024).

The management of disinformation in the public sphere necessitates a multifaceted approach. By inoculating the public against false information, promoting media literacy, and fostering collaboration among key stakeholders, strides can be made towards mitigating the adverse impacts of disinformation on society (Dobrescu et al., 2022; Frau-Meigs & Corbu, 2024). Investing in education is imperative to improve functional literacy levels and critical thinking skills. Educating individuals to recognise and reject misleading information can mitigate the impact of disinformation (Bulger & Davison, 2018). It is also essential to identify and reduce vulnerabilities to disinformation among civil servants, as their correct understanding of the infosphere might sometimes have a swifter impact on societal processes. This can be accomplished through targeted educational initiatives and training programs designed to bolster resilience to disinformation.

Moreover, implementing proactive strategic communication involves presenting real data preventively and periodically (Ecker et al., 2022, p. 23). This approach is more effective than reacting to each instance of disinformation and requires an assessment of knowledge gaps to reduce vulnerability.

Last, but not least, any initiative intended to enhance resilience against information manipulation should be based on respect for the fundamental rights and freedoms of citizens, particularly the freedom of expression in all its forms, and freedom of the press (Zhuravskaya et al., 2020).

References

2020 Strategic Foresight Report. Strategic Foresight – Charting the Course Towards a More Resilient Europe (2020). https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1601279942481&uri=CELEX%3A52020DC0493

A Strategic Compass for Security and Defence - For a European Union That Protects Its Citizens, Values and Interests and Contributes to International Peace and Security, 7371/22 (2022).

Allcott, H., & Gentzkow, M. (2017). Social Media and Fake News in the 2016 Election. *Journal of Economic Perspectives*, *31*(2), 211–236. https://doi.org/10.1257/jep.31.2.211

Anspach, N. M., & Carlson, T. N. (2020). What to Believe? Social Media Commentary and Belief in Misinformation. *Political Behavior*, *42*(3), 697–718.

Aspen Institute. (2021). Tackling Disinformation Resilience in Romania: Mapping the risks, and implementing innovative mitigation measures. *Aspen Institute Romania*. https://aspeninstitute.ro/press/rezilienta-in-fata-dezinformarii-in-romania-un-nou-proiect-implementat-de-asociatia-eurocomunicare-si-institutul-aspen-romania-cu-sprijinul-diviziei-de-diplomatie-publica-a-nato/

Bârgăoanu, A. (2018). *#FAKENEWS – The new arms race*. Evrika Publishing.

Bennett, W. L., & Livingston, S. (2018). The disinformation order: Disruptive communication and the decline of democratic institutions. *European Journal of Communication*, *33*(2), 122–139. https://doi.org/10.1177/0267323118760317

Bijnea, D. (2024, March 22). *The DSA gets a local touch as Law 50/2024 on DSA implementation becomes applicable starting today*. Stratulat Albulescu. https://saa.ro/en/legal-updates/the-dsa-gets-a-local-touch-as-law-50-2024-on-dsa-implementation-becomes-applicable-starting-today/

Bodas, M., Peleg, K., Stolero, N., & Adini, B. (2022). Understanding Societal Resilience—Cross-Sectional Study in Eight Countries. *Frontiers in Public Health*, *10*. https://doi.org/10.3389/fpubh.2022.883281

Boese, V., Edgell, A., Hellmeier, S., Maerz, S., & Lindberg, S. (2021). How democracies prevail: Democratic resilience as a two-stage process. *Democratization*, *28*, 1–23. https://doi.org/10.1080/13510347.2021.1891413

Bradshaw, S., & Howard, P. (2019). The Global Disinformation Order: 2019 Global Inventory of Organised Social Media Manipulation. *Copyright, Fair Use, Scholarly Communication, Etc.* https://digitalcommons.unl.edu/scholcom/207

Bulger, M., & Davison, P. (2018, February 21). *The Promises, Challenges, and Futures of Media Literacy*. Data & Society; Data & Society Research Institute. https://datasociety.net/library/the-promises-challenges-and-futures-of-media-literacy/

Cambridge Dictionary. (2024, May 8). *Infodemic*. https://dictionary.cambridge.org/dictionary/english/infodemic

Cancelaria Prim-Ministrului României [Prime Minister's Office]. (2023, November 28). *Public policy regarding the increase of institutional resilience in Romania*. https://cancelarie.gov.ro/transparenta/propuneri-de-politici-publice/

Cinelli, M., Etta, G., Avalle, M., Quattrociocchi, A., Di Marco, N., Valensise, C., Galeazzi, A., & Quattrociocchi, W. (2022). Conspiracy theories and social media platforms. *Current Opinion in Psychology*, *47*, 101407. https://doi.org/10.1016/j.copsyc.2022.101407

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the

European Democracy Action Plan. (2020). https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2020%3A790%3AFIN&qid=1607079662423

Digital Services Act, Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and Amending Directive 2000/31/EC (Digital Services Act), 2022/2065. (2022). https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R2065

Dobrescu, P., Durach, F., & Vladu, L. (2022). Building resilience to disinformation through media and information literacy. In *16th International Technology, Education and Development Conference* (pp. 3059–3068). IATED. https://doi.org/10.21125/inted.2022.0863

Eady, G., Paskhalis, T., Zilinsky, J., Bonneau, R., Nagler, J., & Tucker, J. A. (2023). Exposure to the Russian Internet Research Agency foreign influence campaign on Twitter in the 2016 US election and its relationship to attitudes and voting behavior. *Nature Communications*, *14*(1), 62. https://doi.org/10.1038/s41467-022-35576-9

Ecker, U. K. H., Lewandowsky, S., Cook, J., Schmid, P., Fazio, L. K., Brashier, N., Kendeou, P., Vraga, E. K., & Amazeen, M. A. (2022). The psychological drivers of misinformation belief and its resistance to correction. *Nature Reviews Psychology*, *1*(1), Article 1. https://doi.org/10.1038/s44159-021-00006-y

Eurocomunicare. (2022, March 2). *Psihologia dezinformării: Cum migrează vocabularul de contestare a pandemiei spre subiectul războiului din Ucraina* [The Psychology of Disinformation: How Pandemic Contestation Vocabulary Migrates towards the War in Ukraine]. https://www.antifake.ro/psihologia-dezinformarii-cum-migreaza-vocabularul-conspirationist-spre-subiectul-razboiului-din-ucraina/

European Commission. (2016, November 23). *Media pluralism and democracy, Special Eurobarometer 452, Shaping Europe's digital future*. https://digital-strategy.ec.europa.eu/en/library/media-pluralism-and-democracy-special-eurobarometer-452

European Commission. (2018, March). *Fake news and disinformation online, Eurobarometer survey*. https://europa.eu/eurobarometer/surveys/detail/2183

European Parliament. (2021). *Eurobarometer. Resilience and Recovery. Public opinion one year into the pandemic*. https://www.europarl.europa.eu/at-your-service/files/be-heard/eurobarometer/2021/spring-2021-survey/report.pdf

European Union External Action. (2023). *1st EEAS Report on Foreign Information Manipulation and Interference Threats*. https://www.eeas.europa.eu/sites/default/files/documents/2023/EEAS-DataTeam-ThreatReport-2023.pdf

European Union External Action. (2024). *2nd EEAS Report on Foreign Information Manipulation and Interference Threats*. https://www.eeas.europa.eu/sites/default/files/documents/2024/EEAS-2nd-Report%20on%20FIMI%20Threats-January-2024_0.pdf

Federal Bureau of Investigation. (2018). *Russian interference in 2016 U.S. elections*. Federal Bureau of Investigation Most Wanted. https://www.fbi.gov/wanted/cyber/russian-interference-in-2016-u-s-elections

Frau-Meigs, D., & Corbu, N. (2024). *Disinformation Debunked: Building Resilience through Media and Information Literacy*. Routledge. https://doi.org/10.4324/9781003387404

Ghebreyesus, T. A. (2020). Munich Security Conference. *World Health Organization*. https://www.who.int/director-general/speeches/detail/munich-security-conference

Humprecht, E., Esser, F., & Aelst, P. (2020). Resilience to Online Disinformation: A Framework for Cross-National Comparative Research. *The International Journal of Press/Politics*, *25*, 194016121990012. https://doi.org/10.1177/1940161219900126

Humprecht, E., Esser, F., Aelst, P. V., Staender, A., & Morosoli, S. (2023). The sharing of disinformation in cross-national comparison: Analyzing patterns of resilience. *Information, Communication & Society*, *26*(7), 1342–1362. https://doi.org/10.1080/1369118X.2021.2006744

INSCOP. (2023, October 4). *Perceptions regarding the war in Ukraine*. https://www.inscop.ro/octombrie-2023-perceptii-cu-privire-la-razboiul-din-ucraina-sondaj-de-opinie-inscop-research-la-comanda-news-ro-partea-a-iv-a/

INSCOP. (2024, March 18). *Disinformation, fake news, trust in information sources*. https://www.inscop.ro/martie-2024-sondaj-de-opinie-inscop-research-realizat-la-comanda-news-ro-partea-a-viii-a-dezinformare-stiri-false-increderea-in-surse-de-informatii/

Keck, M., & Sakdapolrak, P. (2013). What Is Social Resilience? Lessons Learned and Ways Forward. *Erdkunde*, *67*(1), 5–19. https://doi.org/10.3112/erdkunde.2013.01.02

Lazer, D. M. J., Baum, M. A., Benkler, Y., Berinsky, A. J., Greenhill, K. M., Menczer, F., Metzger, M. J., Nyhan, B., Pennycook, G., Rothschild, D., Schudson, M., Sloman, S. A., Sunstein, C. R., Thorson, E. A., Watts, D. J., & Zittrain, J. L. (2018). The science of fake news. *Science*, *359*(6380), 1094–1096. https://doi.org/10.1126/science.aao2998

Lewandowsky, S., Cook, J., Schmid, P., Holford, D., Finn, A., Leask, J., Thomson, A., Lombardi, D., Al-Rawi, A. K., Amazeen, M. A., Anderson, E. C., Betsch, C., Bruns, H. H. B., Ecker, U. K. H., Armaos, K. D., Gavaruzzi, T., Hahn, U., Herzog, S., & Juanc, E. K. (2021). *The COVID-19 Vaccine Communication Handbook. A practical guide for improving vaccine communication and fighting misinformation*. https://hackmd.io/@scibehC19vax/home

Morosoli, S., Van Aelst, P., Humprecht, E., Staender, A., & Esser, F. (2022). Identifying the Drivers Behind the Dissemination of Online Misinformation: A Study on Political Attitudes and Individual Characteristics in the Context of Engaging With Misinformation on Social Media. *American Behavioral Scientist*, 00027642221118300. https://doi.org/10.1177/00027642221118300

Mosila, A. (2023, November 21). The Challenge of Populism and Disinformation on the Pandemic Response in Romania. *Europe Now*. https://www.europenowjournal.org/2023/11/20/the-challenge-of-populism-and-disinformation-on-the-pandemic-response-in-romania/

Munteanu, D. (2022). Barometrul rezilienței societale în domeniul informational [Barometer of societal resilience to disinformation]. *Euro-Atlantic Resilience Centre.* https://e-arc.ro/2022/04/18/barometrul_rezilientei_2022/

Newman, N., Fletcher, R., Rasmus Kleis, N., & Kalogeropoulos, A. (2020). *Reuters Institute Digital News Report 2019*. Reuters Institute for the Study of Journalism, University of Oxford.

Newman, N., Fletcher, R., Robertson, C. T., Eddy, K., & Nielsen, R. K. (2022). *Reuters Institute Digital News Report 2022*. Reuters Institute for the Study of Journalism, University of Oxford.

Newman, N., Fletcher, R., Eddy, K., Robertson, C. T., & Nielsen, R. K. (2023). *Reuters Institute Digital News Report 2023*. Reuters Institute for the Study of Journalism, University of Oxford. https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2023/romania

Ntatzis, P. (2022). From Infodemic to Information War. *EDMO Belux*. https://belux.edmo.eu/from-infodemic-to-information-war/

Office of the Director of National Intelligence. (2017). *Assessing Russian Activities and Intentions in Recent US Elections*. https://www.dni.gov/files/documents/ICA_2017_01.pdf

Report on Foreign Interference in All Democratic Processes in the European Union, Including Disinformation, A9-0187/2023. (2023). https://www.europarl.europa.eu/doceo/document/A-9-2023-0187_EN.pdf

Romanian Journalists International Alliance. (2020). *Veridica*. https://www.veridica.ro/

Romanian Ministry of Foreign Affairs. (2022). *Strategic Planning for Strengthening Resilience Against Disinformation and Hybrid Threats*. https://www.mae.ro/node/55926

Romania Presidential Administration. (2020). The National Defence Strategy for 2020-2024. https://www.presidency.ro/files/userfiles/National_Defence_Strategy_2020_2024.pdf

Simon, F. M., & Camargo, C. Q. (2023). Autopsy of a metaphor: The origins, use and blind spots of the 'infodemic'. *New Media & Society*, *25*(8), 2219–2240. https://doi.org/10.1177/14614448211031908

Surjatmodjo, D., Unde, A. A., Cangara, H., & Sonni, A. F. (2024). Information Pandemic: A Critical Review of Disinformation Spread on Social Media and Its Implications for State Resilience. *Social Sciences*, *13*(8). https://doi.org/10.3390/socsci13080418

Theocharis, Y., Cardenal, A., Jin, S., Aalberg, T., Hopmann, D. N., Strömbäck, J., Castro, L., Esser, F., Van Aelst, P., De Vreese, C., Corbu, N., Koc-Michalska, K., Matthes, J., Schemer, C., Sheafer, T., Splendore, S., Stanyer, J., Stępińska, A., & Štětka, V. (2023). Does the platform matter? Social media and COVID-19 conspiracy theory beliefs in 17 countries. *New Media & Society*, *25*(12), 3412–3437. https://doi.org/10.1177/14614448211045666

Vosoughi, S., Roy, D., & Aral, S. (2018). The spread of true and false news online. *Science*, *359*(6380), 1146–1151. https://doi.org/10.1126/science.aap9559

Wardle, C., & Derakhshan, H. (2017). INFORMATION DISORDER: Toward an interdisciplinary framework for research and policy making. *Council of Europe Publishing*.

World Health Organisation. (2020). *Managing the COVID-19 infodemic*.

Yang, J., & Tian, Y. (2021). "Others are more vulnerable to fake news than I Am": Third-person effect of COVID-19 fake news on social media users. *Computers in Human Behavior*, *125*, 106950. https://doi.org/10.1016/j.chb.2021.106950

Zhuravskaya, E., Petrova, M., & Enikolopov, R. (2020). Political Effects of the Internet and Social Media. *Annual Review of Economics*, *12*(12), 415–438. https://doi.org/10.1146/annurev-economics-081919-050239

Advancing circular economy: integrating consumers and institutions towards sustainability

🆔 **Olesea Plotnic** [a] ✉, 🆔 **Rodica Crudu** [b]

[a] Association Henri Capitant of Legal Culture, Moldova Chisinau, Republic of Moldova;
[b] Academy of Economic Studies of Moldova Chisinau, Republic of Moldova

Abstract: The current linear economy, defined by a buy-use-discard approach, is unsustainable, leading to overconsumption and waste that threaten the environment. By 2050, global consumption is expected to surpass Earth's capacity by threefold, making the transition to a circular economy essential. This article explores the challenges and opportunities of adopting a circular economy, emphasizing the need for collective action at both national and international levels. It examines how consumer behaviour, policy-making, and stakeholder engagement can drive this transition. Drawing on initiatives like the European Green Deal and Circular Economy Action Plan, the article focuses on strategies within the European Union to promote sustainability and address the global overconsumption crisis.

Keywords: circular economy, linear economy, sustainability, overconsumption, consumer behaviour

Introduction

The current linear economy model, characterized by a buy-use-discard process, poses significant threats to environmental sustainability due to overconsumption and waste generation. With global consumption projected to surpass the Earth's capacity by threefold by 2050, urgent action is needed to transition towards a circular economy. This transition entails reimagining our economic systems to minimize resource depletion, waste generation, and environmental degradation while maximizing resource efficiency and value retention

This paper delves into the challenges and opportunities associated with implementing a circular economy, with a particular emphasis on the roles of consumer behaviour, policy-making, and stakeholder engagement. By examining global sustainability challenges arising from overconsumption and waste, this study

✉ PhD. Hab. Action COST Chair CA22124 - ECO4ALL, Association Henri Capitant of Legal Culture, Moldova Chisinau, Republic of Moldova, ORCID: 0000-0001-9368-7806, e-mail: plotnicolesea.aum@gmail.com.

underscores the necessity of collective action at both national and international levels.

1. Description of the state of the art

Presently, the prevailing economic model across the globe follows a linear trajectory, characterized by a buy-use-dispose pattern. Despite the singular nature of Earth, projections suggest that by 2050, human consumption will mirror the demands of three such planets. This surge in consumption is anticipated to double the global utilization of materials like biomass, fossil fuels, metals, and minerals within the next four decades, while annual waste production is set to escalate by 70% by 2050. Notably, half of the total greenhouse gas emissions and over 90% of biodiversity loss and water stress stem from resource extraction and processing activities. Ghisellini et al. (2016) provide a comprehensive review on the expected transition to a circular economy, highlighting its potential to harmonize environmental and economic systems.

The transition to a circular economy emerges as a compelling solution to these imminent challenges. However, its success hinges on collective action. Piecemeal regulatory interventions by individual nations are insufficient. Instead, concerted efforts among countries, both within and beyond the EU, are imperative to realize substantial environmental benefits. Such collaborative endeavors must accommodate the unique contexts of each nation within a unified framework, striving to mitigate the adverse impacts on nature across diverse sectors, spanning urban infrastructure, energy, food, and individual behaviors.

Implementing strategies such as waste prevention, eco-design, and reuse holds the promise of delivering significant economic and environmental dividends. For instance, these approaches could curtail costs for EU enterprises while concurrently reducing total annual greenhouse gas emissions. Currently, the production of commonplace materials accounts for 45% of CO_2 emissions. Transitioning toward a circular economy could alleviate environmental strain, bolster raw material supply security, competitiveness, foster innovation, stimulate economic growth by an additional 0.5% of GDP, and engender approximately 700,000 jobs in the EU by 2030. Consumers stand to benefit from the availability of more durable and innovative products, thereby enhancing their quality of life and yielding long-term cost savings.

Europe already possesses a regulatory framework conducive to fostering responsible public procurement, positioning it as a frontrunner in the transition to a circular economy. However, effective implementation faces hurdles, particularly concerning the delineation of products and services qualifying as circular. Harmonizing global standardization processes underpinned by novel metrics is crucial for establishing a shared language in today's multilateral and globalized economy. This dynamic lexicon should integrate best practices from various value

chains to facilitate the transition. A new suite of socio-environmental impact indicators, aligned with the European Commission's Action Plan on Financing Sustainable Growth, the regulation of a new taxonomy for sustainable activities, and United Nations guidelines, is poised to be introduced.

In March 2020, the European Commission unveiled the Circular Economy Action Plan, aimed at promoting sustainable product design, waste reduction, and consumer empowerment, including the right to repair. This initiative targets resource-intensive sectors such as electronics, ICT, plastics, textiles, and construction. In February 2021, the EU Parliament adopted a resolution advocating for additional measures to achieve a carbon-neutral, environmentally sustainable, toxic-free, and fully circular economy by 2050, including stricter recycling rules and binding targets for material use and consumption by 2030.

By March 2022, the Commission had released the inaugural package of measures designed to expedite the transition to a circular economy, as part of the Circular Economy Action Plan. These proposals encompassed bolstering sustainable products, empowering consumers for the green transition, revising construction product regulations, and formulating a strategy for sustainable textiles.

Backed by European Commission resources, the scientific paper on "Advancing Circular Economy: Integrating Consumers and Institutions Toward Sustainability" will significantly contribute to channeling these resources within participant nations toward activities conducive to climate change mitigation and natural resource conservation, such as housing renovation and geothermal energy utilization. The New Deal for Consumers, with its strengths and weaknesses, is poised to enhance consumer confidence through the paper's activities and the implementation of a consumer legislation framework essential for balanced circularity development. The paper will also align with the European Commission's initiative to launch the European Circular Economy Stakeholder Platform, a "network of networks" aimed at addressing specific challenges and disseminating best practices and solutions. The Retail Forum (REAP) and the EU Platform on Food Losses and Food Waste will likewise play pivotal roles in facilitating the paper's implementation.

The paper aims to enhance the green circular economy by promoting responsible actions and decisions by governments, companies, workers, citizens, and consumers. It advocates for a comprehensive approach that integrates social and consumer-related aspects into the circular economy, transcending mere urban waste recycling. This approach endeavors to empower consumers to participate fully in the circular economy process.

1.1. Trans-national dimension of the research

Within the paper's proposal, a new trans-national dimension among participant nations will be forged with EU support. This initiative will deepen

participants' understanding of EU studies in sustainable environments, EU values and standards, legislation, institutions, and procedures. By training public servants and businesses, the research aims to bolster decision-making and professional capacities, thereby enhancing the quality of sustainable environments across participating nations. The work of Țurcanu and Sârbu (2020) on "Economia verde și circulară: concept, politici și practici în Republica Moldova" provides valuable insights into the specific context and initiatives related to the circular economy in Moldova, contributing to the broader discussion on sustainable development practices. The collaboration between academia and public servants will further promote circular economy practices and waste reduction, aligning with EU policies in this area.

Institutional capacity for sustainable environments will be strengthened, fostering greater citizen trust in the circular economy. As a result, non-EU participant nations will be better equipped to integrate EU policies, thereby supporting the objectives and priorities of the European Neighbourhood Policy Diplomacy (2014). While the European Neighbourhood Policy targets external relations with neighbouring countries broadly, the research emphasizes equitable cooperation at local and regional levels.

Through the successful adoption of EU Member States' practices, businesses and consumers will be encouraged to embrace circular economy solutions, fostering smarter and more efficient resource utilization. This approach will pave the way for individuals to enjoy prosperous lives on a healthy planet, thereby fostering a robust and sustainable economy for both state systems and citizens.

The common values espoused by the EU, including the European Green Deal and an economy that works for people, lie at the heart of the political and economic integration of participant nations.

2. Circular economy: concept, importance and benefits

Every year, the European Union generates an excess of 2.2 billion tonnes of waste. In the context of a radical shift towards a more sustainable model, the EU aims to detach economic growth from resource exploitation and adopt circular systems for production and consumption. The circular economy is a conceptual framework for the production and consumption of goods and services, promoting strategies such as sharing, renting, reusing, repairing, renovating, and recycling existing materials and products with the aim of extending their lifecycle. This paradigm aims to minimize waste generation, ensuring that when a product reaches the end of its useful life, its constituent materials are kept in the economic loop through recycling. This process reintroduces them into production, generating repeated added value.

This approach sharply contrasts with the traditional linear economic model, which operates on the principle of "use-produce-consume-throw away." The linear

model relies on significant amounts of cheap and easily accessible materials and energy, often incorporating programmed obsolescence, where products are designed to have a limited useful life to encourage repeated consumer purchases. The European Parliament has supported initiatives to combat such practices. Various initiatives have been implemented by the EU to promote the circular economy. In March 2020, the European Commission presented an action plan for the circular economy, focusing on sustainable product design, waste reduction, and granting citizens new rights, such as the 'right to repair.' This Circular Economy Action Plan is a key component of the European Green Deal, aiming to prepare the European economy for a green future, strengthen competitiveness, and protect the environment while granting new rights to consumers.

In November 2022, the Commission proposed new EU-wide rules on packaging to improve packaging design and promote bio-based, biodegradable, and compostable plastics. Furthermore, a resolution adopted by the European Parliament in February 2021 called for further measures to achieve a fully circular economy by 2050, establishing clear targets for reducing carbon emissions and promoting stricter recycling and raw material consumption rules. The shift towards a circular economy presents numerous significant benefits, such as reducing pressure on the environment by promoting reuse, recycling, and waste reduction. This helps conserve natural resources and decreases environmental impact. Moreover, this approach contributes to reducing greenhouse gas emissions, significantly impacting industrial processes and product consumption, which are responsible for approximately 9.10% of greenhouse gas emissions in the EU, with waste management contributing an additional 3.32% (Sariatli, 2017)(Eurostat).

The circular economy also lessens dependence on raw materials, addressing challenges associated with global population growth and increasing demand for essential resources. By recycling materials, supply risks can be mitigated, including price volatility and import dependency, particularly for critical raw materials essential for key technologies to achieve climate goals, such as batteries and electric motors. Additionally, adopting circular practices can stimulate innovation in product design and manufacturing processes, enhancing competitiveness in the market and facilitating access to international markets. The transition to a circular economy is also projected to create jobs in sectors such as recycling, reuse, and remanufacturing, as well as related industries like green technology manufacturing and sustainability consulting.

Consumers stand to benefit from more durable and innovative products with longer lifespans and reduced maintenance or replacement needs. This shift can result in long-term savings for consumers and an improved quality of life, as the need to frequently purchase new products decreases. According to these measures, companies in the EU could save EUR 600 billion, equivalent to 8% of annual turnover, while simultaneously reducing total greenhouse gas emissions by 2-4% (Ellen MacArthur Foundation, 2015).

3. Understanding the transition to a circular economy

The transition from a linear to a circular economy represents a paradigm shift in how we produce, consume, and dispose of goods and services. At its core, a circular economy aims to decouple economic growth from resource depletion and environmental degradation by designing out waste and pollution, keeping products and materials in use for as long as possible, and regenerating natural systems. The European Environment Agency (EEA) (2020) provides critical insights into the knowledge needed to support this transition, emphasizing the importance of informed policy-making and stakeholder engagement. Achieving this transition requires concerted efforts across various dimensions:

- Consumer behaviour plays a pivotal role in driving demand for sustainable products and services. Educating consumers about the environmental and social impacts of their choices can influence purchasing decisions and foster a culture of sustainability. Strategies such as product labelling, consumer awareness campaigns, and incentivizing eco-friendly choices can encourage consumers to embrace circularity. According to Lacy and Rutqvist (2015), empowering consumers to recognize the value in circular products is essential for the widespread adoption of circular economy principles.

- Effective policy interventions are essential for creating an enabling environment for the circular economy. Governments play a crucial role in setting regulatory frameworks, implementing incentives, and fostering innovation to support circular business models. Initiatives like the European Green Deal and Circular Economy Action Plan exemplify policymakers' commitment to advancing sustainability agendas at national and supranational levels.

- Stakeholder engagement across sectors is essential for fostering collaboration and driving systemic change. By involving businesses, civil society organizations, academia, and government agencies, stakeholders can collectively identify barriers to circularity and co-create solutions.

Opportunities and Challenges in the EU Context: The European Union has emerged as a global leader in advancing the circular economy agenda. Through initiatives like the European Green Deal and Circular Economy Action Plan, the EU is spearheading efforts to mainstream circularity across its member states. However, translating policy ambitions into tangible outcomes requires overcoming several challenges:

Policy implementation: While the EU has laid out ambitious policy frameworks, effective implementation at the national and regional levels remains a challenge due to varying institutional capacities and regulatory landscapes.

Consumer awareness: Despite growing awareness of environmental issues, consumers may lack sufficient understanding of circular economy principles and their role in driving change. Bridging this knowledge gap is crucial for mainstreaming sustainable consumption patterns.

Stakeholder collaboration: Enhancing collaboration among diverse stakeholders is essential for scaling up circular initiatives. Building trust, fostering dialogue, and aligning interests can facilitate collective action towards common goals.

4. Integrating consumers, innovation, and policies in advancing the circular economy

The advancement of the circular economy hinges on the interplay between consumers, innovation, and policy frameworks. Transitioning from a linear to a circular model requires a comprehensive understanding of consumer behavior, innovative technologies, and robust governmental policies.

4.1. Consumer Awareness and Education

As the cornerstone of the circular economy, consumer behaviour plays a pivotal role in the transition towards sustainability. The shift from a linear to a circular model necessitates not only changes in production practices but also a profound transformation in how consumers perceive and engage with products and services. This section examines the critical factors influencing consumer participation in the circular economy and proposes strategies to enhance their involvement. To foster a more sustainable consumption culture, increasing consumer awareness about the implications of their choices is essential. Consumers often lack adequate knowledge regarding the lifecycle of products, including their environmental impact, resource consumption, and waste generation. Educational initiatives aimed at elucidating these aspects can significantly shift consumer preferences towards more sustainable options. For instance, public campaigns that highlight the benefits of recycling, reusing, and repairing products can motivate consumers to embrace circular principles. Research by Lacy and Rutqvist (2015) indicates that informed consumers are more likely to support eco-friendly products, thus driving demand for sustainable offerings. Engaging educational programs, such as workshops and interactive seminars, can serve to equip consumers with the knowledge and skills necessary to make informed choices. In addition to education, providing incentives for sustainable consumption can significantly influence consumer behavior. Governments and businesses can implement strategies such as tax reductions for eco-friendly purchases, loyalty programs that reward sustainable practices, and subsidies for products designed with circularity in mind. For example, the "right to repair" movement has gained traction in various regions, promoting policies that allow consumers to fix their own devices instead of replacing them. Incentives not only encourage consumers to make sustainable choices but also signal to producers that there is a market demand for such products. This creates a feedback loop that can accelerate the transition towards a circular economy. The EU's Circular

Economy Action Plan emphasizes the importance of empowering consumers through new rights and incentives that facilitate sustainable consumption (European Commission, n.d.a). Understanding the psychological factors that drive consumer behavior is crucial in designing effective strategies for promoting circularity. Behavioural economics explores how individuals make decisions based on perceived value, social norms, and cognitive biases. Insights from this field can be utilized to develop interventions that encourage sustainable consumption patterns. For instance, framing sustainable choices in a positive light—such as emphasizing the long-term savings associated with durable products—can effectively shift consumer behaviour. Social norms can also play a significant role; highlighting the prevalence of sustainable practices within communities can encourage more individuals to adopt similar behaviors (Thøgersen, 2006).

4.2. Innovation and technology in circular economy

Technological advancements are vital for the successful implementation of circular economy principles. Innovations in materials, processes, and business models can enhance resource efficiency and minimize waste. This section discusses the key areas where technology can drive the transition towards a circular economy.

The integration of eco-design principles in product development is fundamental to achieving circularity. Eco-design involves creating products with a focus on their entire lifecycle, from sourcing raw materials to disposal. By prioritizing sustainable materials and reducing resource consumption, businesses can significantly lower their environmental impact.

Companies are increasingly adopting biobased materials and recycling techniques to produce sustainable goods. For instance, the use of biodegradable plastics and recycled metals can help minimize the ecological footprint of product. Additionally, investing in research and development to discover new sustainable materials can pave the way for innovative solutions that align with circular economy goals.

The advent of digital technologies offers unprecedented opportunities for enhancing resource optimization within the circular economy. Technologies such as the Internet of Things (IoT), big data analytics, and blockchain can facilitate more efficient resource management, tracking, and recycling processes.

IoT devices can monitor the lifecycle of products, providing valuable data that can inform recycling efforts and resource allocation (Wang et al., 2016). Big data analytics can help businesses identify patterns in consumption, enabling them to adjust production strategies and minimize waste. Furthermore, blockchain technology can enhance transparency and traceability in supply chains, fostering trust among consumers and stakeholders alike (Kouhizadeh & Sarkis, 2018).

The rise of the sharing economy exemplifies how innovative business models can support the principles of circularity. Collaborative consumption encourages the

shared use of resources, reducing the need for ownership and promoting efficient resource utilization. Platforms that facilitate the sharing of goods and services—such as car-sharing apps and peer-to-peer rental services—can significantly decrease overall consumption levels (Bardhi & Eckhardt, 2012).

These models not only mitigate the demand for new products but also foster community engagement and social connections. By leveraging technology to create platforms that enable sharing and collaboration, businesses can contribute to a more sustainable economy while also enhancing consumer experiences.

4.3. Policy frameworks for circular economy

The role of governmental policies in facilitating the transition to a circular economy cannot be overstated. Comprehensive policy frameworks are essential for creating an environment conducive to sustainable practices. This section evaluates the key components of effective policies that can advance circular economy objectives.

Regulatory Measures and Incentives: Governments must implement regulatory measures that promote circularity while providing incentives for businesses and consumers. This includes establishing binding targets for waste reduction, recycling rates, and resource efficiency.

Additionally, tax incentives and grants for businesses adopting circular practices can encourage innovation and investment in sustainable technologies. The EU's Circular Economy Action Plan exemplifies such initiatives, aiming to set clear benchmarks for member states to follow (European Commission, n.d.a).

International Cooperation and Standards: Given the global nature of environmental challenges, international cooperation is vital for advancing circular economy goals. Establishing harmonized standards and regulations can facilitate trade and ensure that sustainable practices are adopted worldwide. Collaborative initiatives, such as the EU's partnership with non-EU countries, can enhance knowledge sharing and capacity building in circular economy practices (Bocken et al., 2016).

By working together, nations can develop best practices and guidelines that align with circular economy principles, ensuring a cohesive approach to sustainability across borders. Furthermore, international agreements can help mobilize resources and support for developing countries, enabling them to implement circular economy strategies.

Monitoring and Reporting Mechanisms: Effective monitoring and reporting mechanisms are crucial for assessing the progress of circular economy initiatives. Governments should establish frameworks for tracking resource consumption, waste generation, and recycling rates. Regular reporting can provide valuable insights into the effectiveness of policies and identify areas for improvement.

By making data publicly accessible, governments can foster transparency and accountability, encouraging stakeholders to actively participate in circular economy efforts. Furthermore, sharing success stories and best practices can inspire others to adopt similar approaches, amplifying the impact of circular initiatives (Ellen MacArthur Foundation, 2019).

5. Key drivers and strategies for circular economy: consumers, innovation, and supply chain transformation

The transition to a circular economy is a complex process that necessitates a fundamental rethinking of how resources are managed, products are designed, and supply chains are organized. Unlike the linear economic model, where products are created, used, and disposed of, a circular economy seeks to extend product life cycles through reuse, recycling, and remanufacturing. This chapter explores key strategies in the circular economy, focusing on supply chain management, innovative business models, and the economic and environmental benefits that drive circularity, particularly in both developed and developing countries.

5.1. Supply chain management in the circular economy

An effective transition to a circular economy requires a reconfiguration of traditional supply chains. In the linear model, supply chains are typically designed to extract resources, manufacture products, and dispose of them after use. In contrast, circular supply chains aim to extend the life of products through reuse, repair, recycling, and remanufacturing. This section explores the role of supply chain management in enabling circular economy practices and discusses strategies for optimizing supply chains to promote sustainability.

A fundamental aspect of circular supply chains is the integration of reverse logistics, where materials and products are collected after their use phase and reintegrated into the production cycle. This system requires businesses to establish processes for the return, disassembly, and recycling of products. According to Govindan et al. (2015), reverse logistics is essential for achieving closed-loop supply chains, where products are continuously circulated within the economy rather than being discarded as waste.

Successful implementation of reverse logistics depends on several factors, including the development of efficient collection systems, collaboration between suppliers and manufacturers, and the use of technology to track and manage materials. Companies such as Xerox have pioneered closed-loop supply chains by designing products with modular components that can be easily refurbished and reused, significantly reducing the need for new raw materials (Lieder & Rashid, 2016).

To enhance resource efficiency, businesses must collaborate across the supply chain to share knowledge, resources, and innovations. Collaborative networks enable companies to pool resources and expertise, leading to more sustainable solutions. For instance, manufacturers can partner with waste management firms to optimize recycling processes or with designers to create products that are easier to disassemble and recycle.

Moreover, cross-sector collaboration is critical for creating standardized systems for resource recovery. Geng et al. (2012) suggest that businesses should work with governments and industry associations to establish shared infrastructure for recycling and resource management, which can lower costs and improve efficiency for all participants. By fostering a culture of collaboration, supply chain networks can significantly enhance the implementation of circular economy practices.

Sustainable procurement is another key element of circular supply chains. It involves selecting suppliers that adhere to environmental and social standards, thus ensuring that the entire supply chain operates in a sustainable manner. Businesses can prioritize suppliers that use renewable materials, have low carbon footprints, or employ circular manufacturing processes. Sustainable procurement can also involve favouring products with longer lifespans, lower maintenance costs, and greater recyclability (Tate et al., 2012).

To support sustainable procurement, organizations should develop clear guidelines and criteria for evaluating suppliers based on circular economy principles. Furthermore, companies can use sustainability certifications and labels to identify suppliers that meet specific environmental and ethical standards. By aligning procurement practices with circular economy objectives, businesses can create more resilient and sustainable supply chains.

5.2. Business models for the circular economy

Adopting a circular economy requires businesses to rethink traditional business models, which are often based on the sale of products with limited lifespans. Circular business models prioritize resource efficiency, longevity, and product reuse. This section examines several circular business models and how they contribute to sustainability and economic resilience.

Product-as-a-Service (PaaS): One of the most prominent circular business models is the Product-as-a-Service (PaaS) model, which shifts the focus from selling products to offering them as a service. In this model, businesses retain ownership of the products and provide them to consumers on a lease or subscription basis. This approach encourages manufacturers to design durable, repairable products that can be easily upgraded or repurposed, reducing waste and resource consumption (Tukker, 2015). An example of PaaS is Philips' circular lighting solutions, where customers pay for the use of light rather than purchasing light bulbs. Philips remains

responsible for maintaining and upgrading the lighting systems, ensuring that the products have a longer lifespan and can be recycled at the end of their use. The PaaS model promotes sustainability by aligning business incentives with circular economy principles, as companies benefit from minimizing waste and maximizing product longevity.

Sharing economy platforms: Sharing economy platforms facilitate the shared use of goods and services, reducing the need for new products and promoting more efficient resource utilization. This model allows individuals and businesses to share assets such as cars, tools, or office space, minimizing ownership and maximizing the use of existing resources. According to Botsman and Rogers (2010), the sharing economy has the potential to significantly reduce consumption and waste by enabling people to access goods and services without purchasing them outright. Platforms like Airbnb and Uber have popularized the sharing economy, while other companies, such as Rent the Runway, offer clothing rentals to reduce textile waste. By enabling consumers to access products on demand, sharing economy platforms contribute to the circular economy by reducing resource extraction and extending the lifespan of goods.

Take-Back and recycling programs: Many companies are adopting take-back programs as part of their circular business models. These programs allow consumers to return used products to the manufacturer for recycling, refurbishment, or reuse. For example, Patagonia's Worn Wear program encourages customers to return old clothing, which is then repaired and resold or recycled into new garments. Take-back programs can create new revenue streams for businesses while reducing environmental impact. Additionally, they foster customer loyalty by offering incentives for sustainable behaviour. Research by Shevchenko et al. (2019) highlights the importance of designing take-back systems that are convenient and cost-effective for consumers, as this can significantly increase participation rates.

5.3. Economic and environmental benefits of the circular economy

The transition to a circular economy offers numerous economic and environmental benefits. By reducing resource extraction, minimizing waste, and promoting reuse, circular practices can lead to more sustainable and resilient economies. This section explores the key benefits of adopting circular economy principles.

One of the primary economic benefits of the circular economy is improved resource efficiency. By reusing materials and extending the lifespan of products, businesses can reduce their reliance on raw materials and lower production costs. This can lead to greater economic resilience, particularly in industries that are vulnerable to resource scarcity or price volatility (Korhonen et al., 2018).

The circular economy also encourages innovation, as businesses must develop new technologies and processes to optimize resource use. This can create new

markets for circular products and services, driving economic growth and job creation. Furthermore, by reducing waste, businesses can avoid costs associated with disposal and environmental cleanup, improving profitability and sustainability.

The environmental benefits of the circular economy are significant. By reducing the need for raw materials, circular practices can decrease deforestation, mining, and other environmentally harmful activities. Additionally, by promoting recycling and reuse, the circular economy can reduce waste sent to landfills and incinerators, lowering greenhouse gas emissions and mitigating climate change (Murray et al., 2017).

Circular practices can also help conserve biodiversity by minimizing habitat destruction and reducing pollution from industrial activities. According to the World Economic Forum (2020), adopting circular economy principles in sectors such as agriculture, energy, and manufacturing can lead to substantial reductions in carbon emissions and environmental degradation.

6. Advancing the circular economy: opportunities, case studies, challenges, and future directions

The circular economy is gaining traction as a transformative approach to resource management, offering significant potential not only in developed countries but also in developing nations facing unique challenges. Rapid population growth, urbanization, and resource constraints make the transition to a circular economy particularly necessary and beneficial in these regions. By adopting circular practices, developing countries can reduce their reliance on imported raw materials and enhance resource efficiency, ultimately fostering economic growth and innovation. This chapter examines the opportunities and challenges associated with advancing the circular economy in developing nations, highlights successful case studies from various organizations, discusses barriers to adoption, and outlines future research directions.

6.1. Circular economy in developing countries

While much of the focus on the circular economy has been in developed countries, there is significant potential for its implementation in developing countries as well. Developing nations face unique challenges, such as rapid population growth, urbanization, and resource constraints, which make the transition to a circular economy both necessary and beneficial. This section examines the opportunities and challenges for advancing the circular economy in developing countries.

In developing countries, the circular economy presents opportunities for economic growth and innovation. By adopting circular practices, these nations can reduce their dependence on imported raw materials and enhance resource efficiency. Additionally, circular economy initiatives can create new jobs in sectors such as

recycling, waste management, and sustainable agriculture, contributing to poverty reduction and economic development.

Moreover, developing countries have the potential to leapfrog traditional linear models and adopt circular practices from the outset. For example, many African countries are exploring the use of renewable energy sources and sustainable agriculture techniques to address resource constraints and environmental challenges. By integrating circular economy principles into national development strategies, these countries can build more resilient and sustainable economies.

Despite the potential benefits, there are several barriers to implementing the circular economy in developing countries. One of the main challenges is the lack of infrastructure for recycling and waste management. Many developing nations do not have the systems in place to collect, sort, and process waste, which limits their ability to implement circular practices (Nixon & Spencer, 2016).

Additionally, there may be a lack of awareness and understanding of circular economy principles among businesses and policymakers. Capacity-building efforts are needed to educate stakeholders on the benefits of circularity and to develop the skills required for its implementation. International cooperation and investment will be essential in addressing these challenges and supporting the transition to a circular economy in developing countries.

6.2. Case studies of successful circular economy implementations

To illustrate the potential of circular economy principles in practice, this section presents case studies of organizations and initiatives that have successfully implemented circular practices. These examples highlight the diverse approaches that can be taken to promote sustainability and resource efficiency.

The Case of Philips: Circular Lighting Solutions

Philips, a global leader in lighting technology, has embraced circular economy principles through its innovative approach to lighting solutions. The company has shifted from selling light bulbs to providing lighting as a service. According to the Ellen MacArthur Foundation (2016), Philips retains ownership of the lighting products and is responsible for their maintenance, upgrade, and eventual recycling. This model incentivizes Philips to design products that are durable and easily upgradeable, reducing waste and resource consumption. By focusing on the entire lifecycle of its products, Philips has significantly improved its sustainability performance while offering customers enhanced flexibility and lower costs. The success of Philips' model demonstrates the economic viability of circular practices and encourages other companies to consider similar approaches in their operations.

IKEA's Circular Business Model - IKEA is another prominent example of a company implementing circular economy practices. The furniture retailer has committed to becoming a circular business by 2030. This commitment involves using only renewable or recycled materials in its products and designing for

longevity, repairability, and recyclability. According to IKEA's sustainability report (2021), the company has already made significant progress in incorporating sustainable materials, such as recycled polyester and sustainably sourced wood. IKEA has also introduced initiatives such as furniture take-back programs, where customers can return used furniture for resale or recycling. This approach not only minimizes waste but also fosters a culture of sustainability among consumers. By integrating circular principles into its business model, IKEA aims to reduce its environmental impact and enhance customer loyalty. The company's efforts serve as a model for others seeking to transition to circular practices while maintaining profitability.

Unilever's Sustainable Sourcing and Circular Packaging - Unilever has made significant strides in adopting circular economy principles through sustainable sourcing and circular packaging initiatives. The company aims to ensure that all of its plastic packaging is recyclable, reusable, or compostable by 2025. According to Unilever's Sustainable Living Plan (2020), the company is committed to reducing its environmental footprint while enhancing the livelihoods of communities it serves. Unilever's approach includes collaborating with stakeholders across the supply chain to develop innovative packaging solutions. For instance, the company has partnered with local governments and NGOs to improve waste management systems in developing countries, thereby facilitating the recycling of its packaging materials. By integrating circular economy principles into its business model, Unilever not only addresses environmental challenges but also creates economic opportunities for communities.

6.3. Challenges and barriers to circular economy adoption

While the transition to a circular economy presents numerous opportunities, several challenges and barriers must be addressed to facilitate widespread adoption.

One of the primary challenges is the economic viability of circular practices. Many companies may perceive circular economy initiatives as costly or unprofitable, especially in the initial stages. According to Stahel (2016), the upfront investment required for adopting circular models can deter businesses from making the transition. Additionally, the lack of established markets for recycled materials can hinder investment in recycling technologies and infrastructure.

To overcome these economic barriers, governments and organizations must provide financial incentives and support to encourage businesses to adopt circular practices. By facilitating access to funding and resources, stakeholders can create an enabling environment for circular economy initiatives to thrive.

Another significant barrier is the knowledge gap related to circular economy practices. Many businesses lack awareness of the potential benefits and opportunities associated with circularity. According to Geng et al. (2013), the absence of expertise

and understanding of circular economy principles can limit the ability of organizations to implement effective strategies.

Furthermore, there is often a shortage of skilled professionals who can drive circular economy initiatives within organizations. To address this challenge, educational institutions and organizations should invest in training programs that equip individuals with the necessary knowledge and skills to promote circular practices. By fostering a skilled workforce, stakeholders can enhance the capacity for innovation and implementation of circular economy strategies.

6.4. Future directions for circular economy research

The field of circular economy research is rapidly evolving, and several future directions can be identified to further advance understanding and implementation of circular practices.

Interdisciplinary approaches: Future research should adopt interdisciplinary approaches that integrate insights from various fields, including economics, environmental science, sociology, and design. According to Geissdoerfer et al. (2018), such interdisciplinary perspectives can lead to more comprehensive and innovative solutions to the challenges associated with circular economy adoption. By collaborating across disciplines, researchers can develop holistic frameworks that address the interconnectedness of economic, social, and environmental factors in circular economy initiatives. Moreover, interdisciplinary research can help identify best practices and facilitate knowledge sharing among stakeholders, thereby accelerating the transition to a circular economy. Engaging experts from diverse fields will enable the development of more effective strategies that consider the complexities of circularity in various contexts.

Measuring circularity: As the transition to a circular economy progresses, developing standardized metrics and indicators to measure circularity will be essential. According to the European Commission (n.d.a), a robust measurement framework can enhance transparency and accountability in circular economy initiatives. Future research should focus on establishing clear definitions and methodologies for assessing circularity at various levels, including product, organizational, and system levels. This will enable stakeholders to track progress, identify best practices, and inform policy decisions. Establishing a common framework for measuring circularity can also facilitate benchmarking and foster collaboration among organizations pursuing circular practices.

Conclusion

As we draw to a close, it becomes evident that the transition to a circular economy is not merely a matter of policy or technological innovation, but a collective endeavour that requires the active participation of consumers, institutions,

and stakeholders across all sectors of society. It is a journey towards sustainability, resilience, and prosperity, where every individual and organization plays a crucial role in shaping the future of our planet. Consumer behavior stands at the forefront of this transformation, as the choices we make in our daily lives have profound implications for the environment and society at large. By raising awareness, promoting sustainable consumption patterns, and embracing circularity, consumers can drive demand for eco-friendly products and services, paving the way for a more sustainable economy.

At the same time, policy interventions play a pivotal role in creating an enabling environment for the circular economy to thrive. Through regulatory frameworks, incentives, and investment in green technologies, governments can provide the necessary impetus for businesses to adopt circular practices and for consumers to make more informed choices. Yet, perhaps the most crucial aspect of advancing the circular economy agenda lies in stakeholder engagement. By fostering collaboration, dialogue, and knowledge-sharing among businesses, civil society organizations, academia, and government agencies, we can harness the collective wisdom and resources needed to overcome the challenges ahead and realize the full potential of circularity.

Looking forward, it becomes clear that the future of the circular economy depends not just on top-down initiatives, but on empowering every layer of society. Businesses must continue to innovate, incorporating eco-design and sustainable practices into their operations. At the same time, consumers must remain vigilant, consistently choosing products that align with circular principles. It is through this mutual reinforcement between supply and demand that circularity can truly flourish.

Moreover, a successful transition will require the integration of advanced technologies that streamline resource management, optimize production, and minimize waste. These innovations, from digital tracking systems to collaborative consumption platforms, will provide the tools necessary to scale up circular practices across industries and regions. As technology evolves, so too must the strategies employed by policymakers to ensure that regulations keep pace with advancements while remaining flexible to accommodate diverse economic landscapes.

Ultimately, the circular economy is more than an economic model—it is a vision for a sustainable world where resources are valued, waste is minimized, and economic prosperity does not come at the cost of environmental degradation. To achieve this vision, we must continue to foster cooperation across borders, share best practices, and support those who are just beginning their journey toward circularity. Only through collective, global action can we ensure that the principles of circular economy take root and thrive, benefiting future generations.

References

Bardhi, F., & Eckhardt, G. M. (2012). Access-based consumption: The case of car sharing. *Journal of Consumer Research*, 39(4), 881–898. https://doi.org/10.1086/666376

Bocken, N. M. P. (2016). Product design and business model strategies for a circular economy. *Journal of Industrial Ecology*, 33(5), 308-320. https://doi.org/10.1080/21681015.2016.1172124

Botsman, R., & Rogers, R. (2010). *What's mine is yours: The rise of collaborative consumption*. Harper Business.

Ellen MacArthur Foundation. (2015). *Towards a circular economy: Business rationale for an accelerated transition*. https://www.ellenmacarthurfoundation.org/publications

European Commission. (n.d.a). *Circular economy action plan: For a cleaner and more competitive Europe*. https://environment.ec.europa.eu/strategy/circular-economy-action-plan_en

European Commission. (n.d.b). *European Green Deal: Striving to make Europe climate-neutral by 2050*. https://climate.ec.europa.eu/eu-action/climate-strategies-targets/2050-long-term-strategy_en

European Environment Agency (EEA). (2020). *The European environment — State and outlook 2020: Knowledge for transition to a sustainable Europe*. https://www.eea.europa.eu/soer/2020

Eurostat. (n.d.). Material flow accounts statistics - Material footprints. *Eurostat Statistics Explained*. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Material_flow_accounts_statistics_-_material_footprints#EU.27s_material_footprint_by_material_category_over_time

Geissdoerfer, M., Savaget, P., Bocken, N. M. P., & Hultink, E. J. (2017). The circular economy – A new sustainability paradigm? *Journal of Cleaner Production*, *143*, 757–768. https://doi.org/10.1016/j.jclepro.2016.12.048

Ghisellini, P., Cialani, C., & Ulgiati, S. (2016). A review on circular economy: The expected transition to a balanced interplay of environmental and economic systems.

Journal of Cleaner Production, *114*, 11–32.
https://doi.org/10.1016/j.jclepro.2015.09.007

Kirchherr, J., Reike, D., & Hekkert, M. (2017). Conceptualizing the circular economy: An analysis of 114 definitions. *Resources, Conservation and Recycling*, *127*, 221–232. https://doi.org/10.1016/j.resconrec.2017.09.005

Kouhizadeh, M., & Sarkis, J. (2018). Blockchain practices, potentials, and perspectives in greening supply chains. *Sustainability*, *10*(10), 3652. https://doi.org/10.3390/su10103652

Lacy, P., & Rutqvist, J. (2015). *Waste to wealth: The circular economy advantage*. Palgrave Macmillan. https://doi.org/10.1057/9781137530707

Lieder, M., & Rashid, A. (2016). Towards circular economy implementation: A comprehensive review in context of manufacturing industry. *Journal of Cleaner Production*, *115*, 36–51. https://doi.org/10.1016/j.jclepro.2015.12.042

Murray, A., Skene, K., & Haynes, K. (2017). The circular economy: An interdisciplinary exploration of the concept and application in a global context. *Journal of Business Ethics*. https://doi.org/10.1007/s10551-015-2693-2

Preston, F. (2012). A global redesign? Shaping the circular economy. *Chatham House Briefing Paper*, 1–16. http://biblioteca.fundacionicbc.edu.ar/images/d/d7/Bp0312_preston.pdf

Sariatli, F. (2017). Linear economy versus circular economy: A comparative and analyzer study for optimization of economy for sustainability. *Visegrad Journal on Bioeconomy and Sustainable Development*, *6*(1), 31–34. https://doi.org/10.1515/vjbsd-2017-0005

Stahel, W. R. (2016). Circular economy. *Nature*, *531*(7595), 435–438. https://doi.org/10.1038/531435a

Tate, A., Turner, G. N., Knab, S. E., Jorgensen, C., Strittmatter, A., & Michener, L. A. (2012). Risk factors associated with shoulder pain and disability across the lifespan of competitive swimmers. *Journal of Athletic Training*. https://doi.org/10.4085/1062-6050-47.2.149

Thøgersen, J. (2006). Norms for environmentally responsible behaviour: An extended taxonomy. *Journal of Environmental Psychology*, *26*(4), 247–261. https://doi.org/10.1016/j.jenvp.2006.09.004

Tukker, A. (2015). Product services for a resource-efficient and circular economy – A review. *Journal of Cleaner Production*, *97*, 76-91. https://doi.org/10.1016/j.jclepro.2013.11.049

Țurcanu, S., & Sârbu, R. (2020). *Economia verde și circulară: Concept, politici și practici în Republica Moldova* [Green and circular economy: Concept, policies, and practices in the Republic of Moldova]. Centrul Național de Cercetări și Studii în Domeniul Dezvoltării Durabile.

Exploring tourists' perceptions and influencing factors of creative tourism in Europe

● **Mihaela Clincu** ✉, **Iuliana Tudose-Pop**
Alexandru Ioan Cuza University of Iasi, Romania

Abstract: The emergence of co-creative interactions between tourists and touristic activities has extended in Europe generating increased interest, driven by contemporary trends in tourism emphasizing meaningful, authentic experiences and direct engagement with culture and local communities. Our paper aims to reveal insights and nuances in tourists' perceptions of creative destinations in Europe. The findings are based on a literature review on creative tourism and a qualitative methodology of two focus groups carried out with 20 people in total from 13 countries from Europe, including Bulgaria, Croatia, Estonia, Germany, Greece, Italy, Latvia, Lithuania, North Macedonia, Poland, Portugal, Romania and Spain. Within the focus groups there were explored the levels of understanding on the creative tourism concept, European destinations associated with creative tourism, influencing factors that stimulate engagement in creative tourism experiences in Europe as well future perspectives of creative tourism evolving in Europe. A diversity of opinions have emerged in consideration of creative tourism trends and patterns and the idea of a 'one-size-fits-all' model resulted to be particularly inappropriate in terms of creative tourism perceptions and experiences. Our analysis highlights several directions for further information development on the introduction of creative experiences into tourism developments.

Keywords: creative tourism, Europe, tourists' perceptions, creative experiences

Introduction

The co-creative interactions between tourists and local activities has been expanding across Europe, generating contemporary tourism trends that prioritize meaningful and authentic experiences, as well as direct engagement with local culture and communities, as tourists are increasingly seeking opportunities to actively participate in more enriching travel experiences.

The positive impact of the development of creative tourism has been felt by tourists as a result of the interaction with the inhabitants of the visited regions and the exchange of values between them. Moreover, their positive memories associated with the experience of creative tourism can facilitate an attachment to that place that later on can also be recommended to other visitors (Wei et al., 2023). Creative

---

✉ PhD candidate at Alexandru Ioan Cuza University of Iasi, Romania; e-mail: mayaclincu@yahoo.com.

tourism has had also a positive impact on tourists that spend time in less touristic places, but which prefer to live in residents' houses, learning their language and cultural traditions and integrating in the day-to-day life of residents (Kennett, 2002). Creative tourism can be associated with different hobbies of tourists related to gastronomy, textiles, ceramics or music and dance. Therefore, the main actors involved in these activities are local enterprises, which offer tourists the opportunity to do small tours in the countryside to discover the technique of making local authentic products, thus experiencing local culture and community life (Centre for the Promotion of Imports from developing countries [CBI], 2021). Another positive aspect of creative tourism is the social connectivity, where there can also be volunteer programs oriented to some forms of creativity that can help community development. In the period of the COVID-19 pandemic, when the number of digital nomads increased, creative tourism was for many people a solution, combining work and agreement activities, developing co-working spaces and living labs.

The importance of culture is also recognized by the European Union (EU) as part of the touristic experience in Europe, the EU being at the same time an important destination for cultural tourism, through its rich tourist heritage (archaeological sites, museums, historic cities, gastronomy, music and other particularly attractive sights). At the European level, cultural tourism accounted for about 40% of tourist arrivals in 2019 (CBI, 2021; European Commission, 2024), and creative tourism is a branch of cultural tourism. During the COVID-19 pandemic, the travel preferences of Europeans included cultural tourism and the age group that preferred this type of tourism was the adult population, over 54 years of age (European Travel Commission [ETC], 2022). However, a new age group that is more assertive on creative tourism is the millennials, who want such unique experiences (CBI, 2021).

Our paper aims to reveal insights and nuances in tourists' perceptions of creative destinations in Europe. The main research questions of the study are 1) what concepts are highlighted in the analysis of the association of tourism and creative sectors?, 2) what factors facilitate the development of creative tourism in Europe? and 3) does creative tourism have a positive influence on tourists' intentions to visit a destination?

The findings are based on a qualitative methodology of two focus groups carried out with 20 people from 13 countries from Europe, including Bulgaria, Croatia, Estonia, Germany, Greece, Italy, Latvia, Lithuania, North Macedonia, Poland, Portugal, Romania and Spain, from two age ranges perspectives (18-29 and 30-66 years old). The focus groups explored various aspects of the creative tourism concept, including the levels of understanding of creative tourism concept among the participants, the European destinations linked with creative tourism, motivations and the factors that encourage engagement in creative tourism experiences in Europe. Additionally, the discussions explored future prospects for the evolution of creative tourism.

A wide range of opinions emerged, reflecting diverse perspectives on creative tourism trends and patterns. Our analysis reveals several areas for further development regarding the integration of creative experiences into tourism strategies, such as putting in value the cultural inheritances, integrating natural environments into creative events and incorporating new technological advancements such as augmented and virtual realities into creative tourism initiatives.

1. Creative tourism conceptual identification

Creative tourism has emerged as a niche field derived from cultural tourism (Richards & Raymond, 2000) and has been increasingly promoted to revitalize cultural tourism destinations. In the view of several authors (Kahl, 2009; Mumford, 2003; Zeng et al., 2011) creativity consists of four interactive components: people, processes, products and place. Creativity in tourism, tourism experience and co-creation as well as cultural and event tourism are in the opinion of Galvagno and Giaccone (2019) the main research themes in creative tourism, and Remoaldo et al. (2020) consider the concept of creativity and innovation as essential in creative tourism.

As defined by Richards and Raymond (2000), creative tourism offers visitors the opportunity to develop their creative potential through active participation in courses and learning experiences specific to tourist destinations where such activities are practiced. Also, from the definitions given to creative tourism by other authors (Maldonado-Erazo et al., 2016; Richards & Raymond, 2000; Smith, 2023; United Nations Educational, Scientific and Cultural Organization [UNESCO], 2006) it appears that there are several common elements, such as participatory, authentic experiences, which in contact with locals, give tourists the opportunity to exercise and develop their creative skills.

According to UNESCO (2006), creative tourism can be seen as an authentic experience, which involves engaging tourists in a participatory learning process in the arts in a particular place. Creative tourism differs from traditional cultural tourism, involving a shift in the offer from tangible to intangible tourism products (Li & Kovacs, 2024; Organisation for Economic Co-operation and Development [OECD], 2014). And it aims to encourage authentic encounters between hosts and guests, with the aim of promoting the exchange of skills and knowledge (Wattanacharoensil & Sakdiyakorn, 2016). Traditional cultural tourism has had to reinvent itself (Tan et al., 2016) to meet the demands of tourists seeking more distinctive experiences, thus contributing to the emergence of creative tourism.

Several studies addressing creative tourism focus on the creative atmosphere (Cheng & Chen, 2023) present in creative tourism destinations, responding to the needs of a category of tourists eager for more authentic tourism (Li & Kovacs, 2024). Tourists are looking for new forms of leisure in a new way, involving engagement

in different activities and transformative experiences rather than those produced in mass and standardised tourism (Remoaldo et al., 2020; Richards, 2020) and creative tourism, is gaining more and more attention, becoming increasingly popular (Wei et al., 2023). Thus, tourists enter the everyday life of the tourist destination (Richards, 2020) and through active involvement co-create tourism products (Akdemir et al., 2023; Deng et al., 2024).

Creative tourism offers the visitor the opportunity to tap into their creative potential, which contributes to the enhancement and expansion of the experience, leading to the tourist's attachment to the place (Blapp & Mitas, 2018) and possible return (Wei et al., 2023). Creative spaces constitute basic elements of creative tourism development thus promoted as a model of sustainable tourism (Corá & Henriques, 2021; Khadivar & Golestani, 2022; Li & Kovacs, 2022; Tan et al, 2014; Thongsamak & Jitpakdee, 2019; UNESCO, 2006), also contributing to the development of local communities (Corá & Henriques, 2021; Sarantou et al., 2021), and for many cities, creativity is even the only option for development, not just an asset (Richards & Raymond, 2000). Creative development and creative tourism are a development pathway for smaller communities (Remoaldo et al., 2020), and intangible heritage and creative industries can be a tourism asset for creative cities (Arcos-Pumarola et al., 2023). Dias et al. (2023) address the factors that are most valued by creative tourism entrepreneurs in the destination context, and the results highlighted entrepreneurial culture, level of cooperation and quality of life. Creative tourism enterprises are operated by creative people, such as entrepreneurs and artists. The development of creative tourism aims at promoting sustainable development as the emphasis is put on creative renewable resources (Guo et al., 2023). Creative tourism is considered more sustainable than the cultural tourism in general, which is based on consumption (Remoaldo & Cadima-Ribeiro, 2019). Creative tourism networks play an important role in the development of creative tourism. The CreaTour network, for instance, was conceived to support the development of creative tourism in Portugal, in small towns and rural areas (Marujo et al., 2020). At a global level, the Creative Tourism Network, an official, non-profit organization, was created in 2010, aimed at contributing to the development of creative tourism and aims to increase the visibility and viability of creative tourism, creating both new and memorable experiences for tourists and sustainable benefits for local communities (Creative Tourism Network, 2024). This network includes cities of different categories, from national capitals such as Paris, to regional ones such as Barcelona or small towns such as Biot on the French Riviera (Remoaldo & Cadima-Ribeiro, 2019). Touristic networks act as systems that are able to integrate touristic destinations (Zach & Racherla, 2011), having a positive contribution to the development of tourism enterprises. According to the creative tourism networks, Europe presents a strong concentration of creative tourism initiatives in countries such as Spain, Portugal, France, Italy, Belgium, Austria and Great Britai (Remoaldo & Cadima-Ribeiro, 2019).

Li and Kovacs (2024) consider that no attention has been paid to motivating creative tourists to visit certain places and events. Tourists have very subjective opinions (Tan et al., 2016) about the experiences they treat and are at the same time important actors in shaping the tourism industry. Tan et al. (2014) analyse creative tourists and their perceptions of destination experiences, identifying several groups, including: tourists looking for novelty, those seeking knowledge and skills, those aware of environmental issues, or those just looking for leisure. The shift towards an experience-based economy, as opposed to the traditional product and service-based economy, in which tourists experience a memorable stay with a transformative impact on their thinking and action, is at the heart of the 'creative turn of tourism' (Richards, 2011).

Ramos-Soler et al. (2019) studied the online and offline sources used by tourists and the resources they used during their trip, tracking tourists' expectations about the functions of applications that can help improve the tourist experience.

2. Methodology

In the current literature devoted to the subject, in-depth interviews were conducted with both tourists and hosts and semi-structured interviews were used which were combined with secondary data analysis. Then, all these different sources were combined using Atlas.ti software (Castellanos-Verdugo et al., 2010). Focus group is a qualitative technique for collecting qualitative data from a group of people, usually through semi-structured questions and is also used in tourism. The focus group is a qualitative research tool that prioritizes understanding the commonalities within a group of respondents centred around the research focus (Parker & Tritter, 2006). Daniels et al. (2019) present the characteristics and purposes of the focus group, present the role of the moderator, as well as its advantages and disadvantages.

The objective of the focus group is to explore different points of view, to discuss different perspectives, to assess the preferences of residents, tourists and stakeholders that could facilitate access to cultural tourism using electronic services (Aldhanhani & Zainudin, 2022) or the use of advanced information and communication technologies (Trinchini & Spyriadis, 2019). Richard et al. (2018) analyse idea generation in the hospitality industry using text-based online focus group versus classic, physical focus group.

The focus groups are considered as beneficial when studying social phenomena generating rich data that aids decision-making and particular insights often unavailable through other methods (Williams & Katz, 2001). Among the advantages of focus groups is that they capture a wide range of opinions and interactions, including direct challenges and collective viewpoints resulting depth of dialogue through dynamic interactions constructed in social contexts (Smithson, 2000). Limitations of focus groups include the logistical difficulties or the risk of dominance of certain participants within the discussion. Moreover, due to a small

sample size, the findings may not be generalizable to the broader population (Masadeh, 2012).

The empirical findings of the paper are based on the implementation of two focus groups approaching the main topic of creative tourism. The focus groups contributed to produce data and to explore insights related to the creative tourism providing the respondents with the opportunity to share freely their viewpoints in an intercultural environment. The two focus groups were differentiated based on age criteria, one group including participants with the age ranges 18-29 years old and one group with the age ranges 30-66 years. This criterion was applied in order to identify differences and similarities of perceptions at different age stages and patterns of opinions and experiences.

The focus groups took place on 18th of April 2024 in Lodz, Poland. The respondents were participants in the European training course "Sustainable and social tools for employability and entrepreneurial planning", funded with the support of the Erasmus+ Programme of the European Union. The participation was voluntarly and the participants provided their agreements on the participation in the focus group and the recording of the discussion. The identity of the participants remains anonymous.

Socio-demographic factors defining the participants of the focus groups:

Group 1:

Number of participants: 12

Country of residence: Spain (2), Portugal (1), Greece (1), North Macedonia (2), Poland (1), Germany (1), Romania (1), Latvia (1), Italy (1) and Bulgaria (1)

Place of residence: urban (10) rural (2)

Age range: 18-29 years old

Domains of activity: engineering, cultural heritage, data science and business analysis, agricultural sciences, computational mathematics, youth work, music, sociology, business, finance and politics, business and management, multilingualism.

Gender: 6 male, 6 female

Group 2:

Number of participants: 8

Country of residence: Portugal (1), Greece (1), Romania (1), Croatia (1), Latvia (1), Estonia (1), Lithuania (1), and Bulgaria (1)

Place of residence: urban (6) rural (2)

Age range: 30 – 66 years old

Domains of activity: psychology, education, leadership, politics, music, business management, mathematics, geography.

Gender: 2 male, 6 female

The discussion was structured in five main steps and was facilitated by the group moderator. The discussion explored as main directions (1) the understanding

of the participants on the concept of creative tourism, (2) European destinations associated with the creative tourism and travelling preferences, (3) potential impact and benefits of creative tourism, (4) stakeholders involved and (5) premises for the future of creative tourism in Europe. The discussion was recorded audio and transcripted as text. A thorough review and analysis of the information content was performed and created a classification of group of codes and codes based on the main concepts of the paper. There were identified 8 code labels and associated terms and assigned 136 quotations for Group 01 and 101 quotations for Group 02 within the data content. The analysis was performed with Atlas.ti qualitative data analysis program.

Code labels and associated terms:

Tourism: country, city, village, local, tourist

Creative: experience, create, explore, discover, adventure, emotions, practice

Culture: festival, museum, food, music, dance, sites, tradition, murals, arts, crafts, sport, sculpture, religion, story, history, literature

Travel: people, places, memory, souvenir, journey, sightseeing, destination, prices, planning

Nature: beach, weather, mountain, islands, parks, caves

Technology: VR, metaverse, applications, holograms, 3D tours, AI, augmented reality, robots

EU programmes: Erasmus+, EVS, Discover EU, project, volunteering

Stakeholders: Government, municipalities, people, tourism agencies, NGO, businesses, influencers, artists

3. Analysis and discussions on creative tourism perceptions among European citizens

Creative tourism opportunities are beneficial incentives for tourists' motivations and destinations decision of engaging in tourism experiences. The motivation, perceived value and experience are factors that influence the tourists' perception over a destination facilitating an active understanding of the features of a place (Chang et al., 2014). Travellers' perceptions of value, quality, and price influence travellers' choice in travelling choices and re-visit intentions (Kashyap & Bojanic, 2000). Likewise, tourist perceptions of quality and value are influenced by places attributes and destination effects that form the travellers' experience opportunities (Murphy et al., 2000). Creativity in tourism involves the addition of new elements to tourism products and services, leading to transformative value creation and new dynamics of interactions.

3.1. Diving into creative tourism concept and the analysis frame

The development of cultural tourism has led to the emergence of several types of niche tourism (Benhaida et al., 2024) and especially creative tourism, has led to further research on the aspects related to the motivation for choosing this niche tourism, and qualitative research methods were preferred to quantitative ones. In tourism research, the focus group methodology incorporates a holistic view of tourism issues, as well as the results of the interaction between the researcher and the researched subject, thus leading to the adoption of an eclectic stance in tourism studies, which integrates both qualitative and quantitative aspects (Robina-Ramírez et al., 2021).

Figure 1. Network of codes
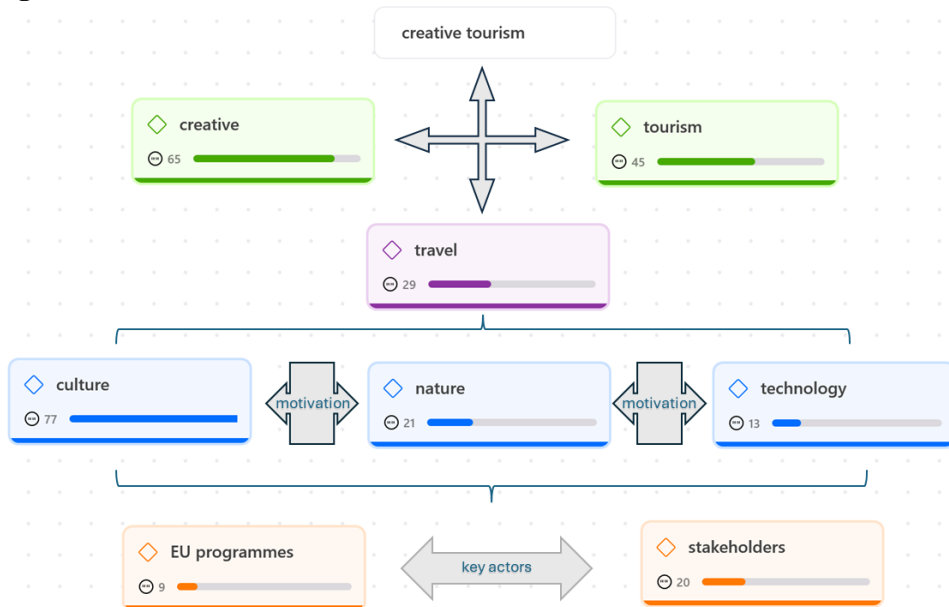
Source: authors' representation

Figure 1 presents the relation matrix among the code labels that represent the main concepts of the analysis and the connectivity factors. Based on the matrix, the paper elaborates on the relation between the creative activities and tourism, as a prerequisite of the concept of creative tourism, approaching in detail the motivations given by cultural, natural and technological factors. As key actors involved in this process there were analysed the influence of EU institutions and the EU programmes and the stakeholders that may contribute to creative tourism development.

Figure 2. Wordcloud based on keyword frequency – total

Source: authors' representation

Figure 2 presents the most frequent words identified within the two focus groups content. Word clouds are used as an easy tool that represent visually the main themes of a written content in which the frequency of a term's appearance in the analysed text determines its size in the generated word cloud image, as the more frequently it appears, the larger it will be (Atenstaedt, 2012). According to Figure 2 the predominant words of the focus groups are "creative", "tourism", "people", "experience", "festival", "places", "travel".

Figure 3. Wordcloud based on keywords frequency in the two groups

Focus group 1

Focus group 2

Source: authors' representation

According to Figure 3 it can be noticed a differentiation on predominant terms within the content analysis between the two groups. The most frequent words remain "creative" and "tourism" at the level of both groups. Besides the two main concepts, in the first group (18-29 years old) there are noted the words "Europe", "country", "food" while in second group (30-66 years old) it is remarked a higher frequency of the words "people", "places" and "festival".

Figure 4. Opinion mining on the focus groups main concepts - total
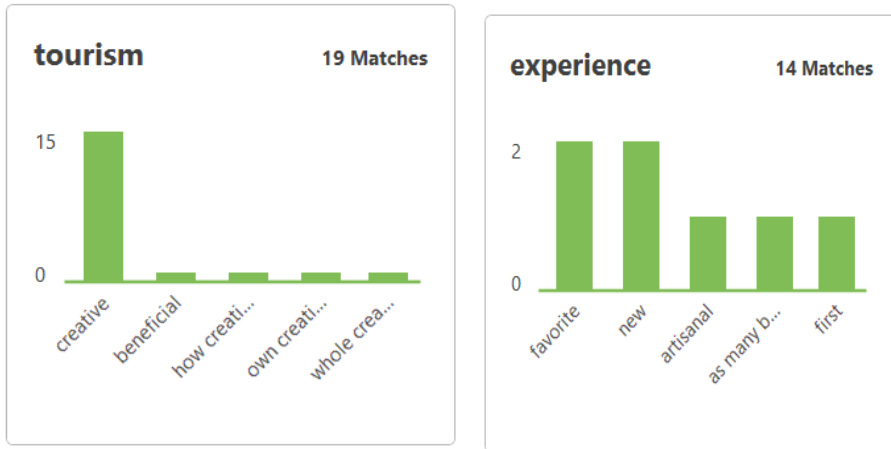
Source: authors' representation

According to Figure 4 we can identify the main associated concepts within the focus groups. The opinion mining facilitated to understand the opinions expressed by the participants through comparisons of similar entities or aspects. A pattern-based approach was created by using the Atlas.ti analysis programme and there were identified keywords and syntactic patterns in dependency relations. Thus, within the focus groups content analysis the most associated terms are creative tourism, and favourite and new experiences. As such creative tourism leads us to understanding experiences formation by collecting personal information.

Figure 5 presents in the Sankey diagram and the corresponding values table (Table 1), the level of co-occurrences of the code labels applied in the text analysis of the two groups in total, in relation to the creative tourism concept. The Sankey diagram presents the level of co-occurrences between two codes.

As it can be noted the highest association between the code creative is identified with the notion of tourism (creative – tourism with a value of 32), being the key concept analysed in the paper. High level of associations are noted with the code culture (creative-culture with a value of 20 and tourism-culture with a value of 22) therefore underlining the cultural factors influence in tourism developments and the fact that cultural tourism connects visitors to cultural attractions and events.

Figure 5. Sankey diagram: co-occurrences of the code labels in total
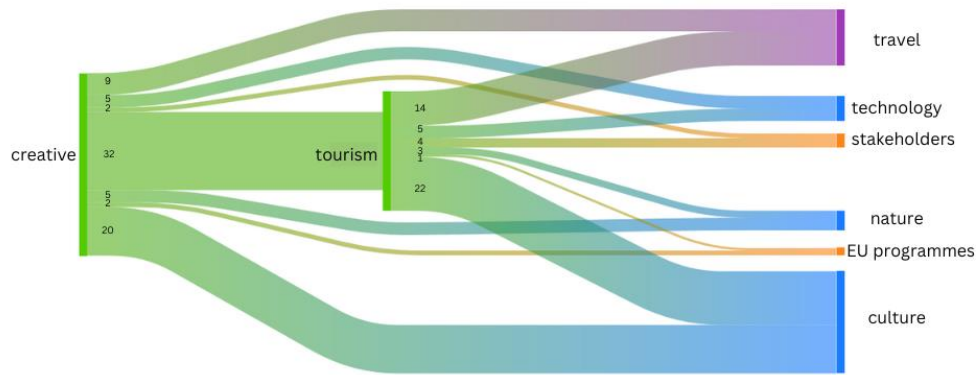
Source: authors' representation

In regard to the other codes included in the analysis it is remarked the connection with the traveling action (tourism – travel with a value of 14 and creative – travel with a value of 9). Among the motivating factors of engagement in creative tourism, after cultural incentives are registered the technological factors (creative-technology with a value of 5 and tourism-technology with a value of 5) and the environmental factors (creative-nature with a value of 5 and tourism – nature with a value of 3). It is also noted that the stakeholders are rather associated with involvement in tourism (tourism-stakeholders with a value of 4) rather that in creativity actions (creative – stakeholders with a value of 2). Engagement of a wide range of stakeholders, including public, private, civic, academic institutions and professionals in cultural and creative sectors, bring development perspectives to creative tourism perspectives within a broad vision that benefits all place users (Richards, 2020). Moreover, the particular involvement of tourists in generating knowledge flows is a factor of harnessing creative tourism experiences. As for the EU programmes co-occurrences these are rather perceived as enhancing creativity (creative – EU programmes with a value of 2 co-occurrences) than tourism (tourism – EU programmes with a value of 1 co-occurrence).

Table1. Table of co-occurrences of the code labels values in total

	culture 104	EU programmes 14	nature 32	stakeholders 24	technology 23	tourism 66	travel 47
creative 66	20	2	5	2	5	32	9
tourism 66	22	1	3	4	5		14

Source: authors' representation

Table 1 presents the co-occurrences values between the code creative and the codes culture, EU programmes, nature, stakeholders, technology, tourism, travel in the first row and the values between the code tourism and the codes culture, EU programmes, nature, stakeholders, technology, travel in the second row within the two groups in total, as explained in Figure 5. The code creative and the code tourism have 66 quotations each. The code culture has 104 quotations, EU programmes 14 quotations, nature 32 quotations, stakeholders 24 quotations, technology 23 quotations and travel 47 quotations.

The participants' understandings of the concept of creative tourism is based on engagement with the visiting community as they believe that creative tourism involves that "*you must create some of the things that locals have in their daily lives* (participant [P]7, group [G]2) and "*the ability to explore a country in a new way, not only visit some places, but also build some memories in there, that are connected with people of the area*" (P11, G1), as "*creative tourism means for me, exploring a country, not in touristic spots, but in spots that only local people know*" (P10, G1).

Tourists are increasingly becoming interested in creative tourism and seeking authentic and specific cultural experiences. This trend highlights the shift towards interactive cultural tourism and the blending of education and entertainment, allowing tourists to experience various cultures simultaneously (Smith et al., 2010).

In Figure 6 it is illustrated the quotations level of the code labels according to the key words associated, in a comparative perspective between the two groups of analysis. The detailed values are presented below.

According to Table 2, within the focus group 01, including participants with the age range 18-29 years old it is noted the preponderance of the concepts of culture (52 quotations) and tourism (48 quotations). A high level of perception is also associated with the concepts creative (39 quotations) and travel (32 quotations). The involvement of stakeholders is as well appreciated as relevant (15 quotations) and the opportunities provided by EU are well appreciated (13 quotations). Considering the motivations of engaging in creative tourism there are noted in order of relevance the cultural factors (52 quotations), technological factors (13 quotations) and nature (11 quotations).

Within the focus group 02, including participants with the age range 30-66 years old we observe that the respondents are the highest related with the cultural factors (52 quotations) followed by natural factors (21 quotations) and technology (10 quotations). Creativity is well appreciated (27 quotations) and the involvement in tourism (18 quotations) and travelling actions (15 quotations). The involvement of stakeholders is considered as beneficial (9 quotations). Less involvement is perceived in relation to EU programmes and creative tourism (1 quotation).

Figure 6. Sankey diagram: Intensity of participants' references to code labels within each of the focus groups
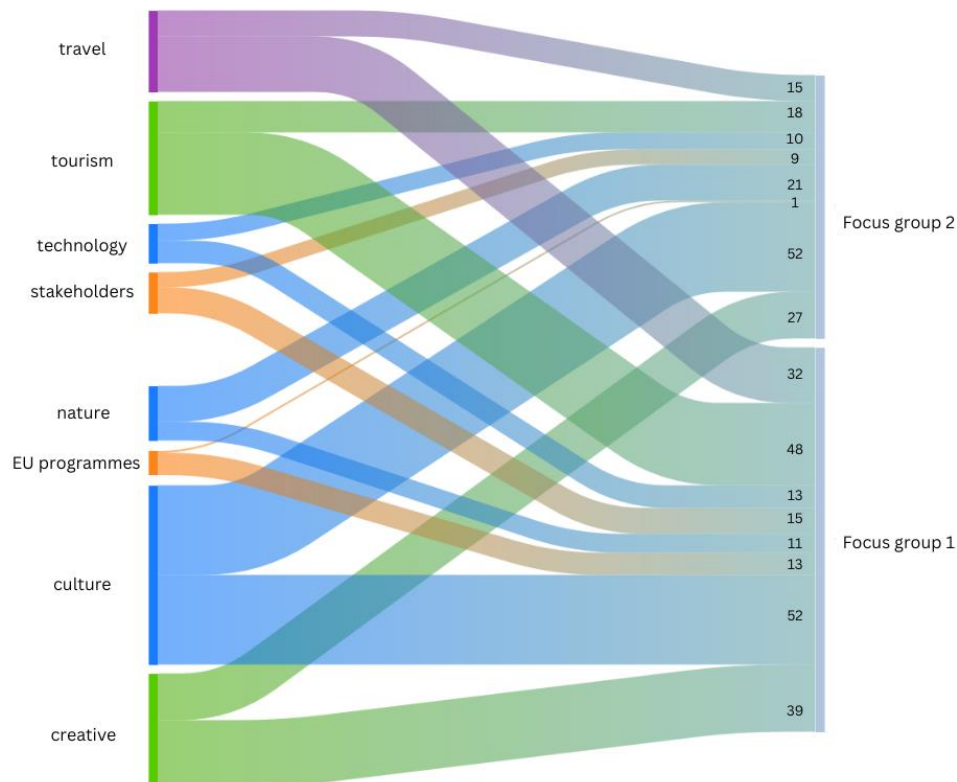
Source: authors' representation

In a comparative perspective between the two groups it is noted a similar level of appreciation in relation to the cultural factors. On the other side while the younger generation relate more to creativity factors when engaging in tourism activities, the second group related more to the natural and environmental factors. The technological factors are slightly better considered within the 1st group. The connectivity of creative tourism with EU programmes is perceived as higher within the 1st group in comparison with the 2nd group as well as the involvement of stakeholders.

Table 2. Intensity values of code labels references within the 2 focus groups

			1: focus group 1 136	2: focus group 2 101	Totals
● ◇ creative		66	39	27	66
● ◇ culture		104	52	52	104
● ◇ EU programmes		14	13	1	14
● ◇ nature		32	11	21	32
● ◇ stakeholders		24	15	9	24
● ◇ technology		23	13	10	23
● ◇ tourism		66	48	18	66
● ◇ travel		47	32	15	47
Totals			223	153	376

Source: authors' representation

It is therefore noticed that while creative tourism is appreciated in positive terms by both groups there are differentiations in regard to the context and motivations of engaging in such experiences according to the age characteristics. A common and highly relevant incentive is however given by culture and the associated cultural factors.

3.2. European creative tourism and development perspectives

Europe has a leading place in international tourism enhanced by the environmental diversity of EU member states that allows visitors to experience a wide range of climatic regions, cultures, and landscapes. While the market in Western Europe is already mature, significant growth in visitor numbers is expected in Central and Eastern European countries (Dale & Robinson, 2007).

As destinations associated with creative tourism by the focus groups respondents, the European countries are considered as highly relevant. As reasons that stimulate the involvement in creative tourism the respondents made reference to natural places where you can do a lot of creative things, different landscapes including culture and natural resources, combinations of cultures and civilizations, cultural and religious reasons and festivals.

When asked if they visited any destinations in Europe specifically for their creative offerings, 9 of the participants in the focus group 01 confirmed, mentioning as countries Portugal, Italy, Croatia, Poland, Türkiye, Germany and France and 3

respondents said no. In the second group, 4 participants confirmed mentioning as countries Portugal, Spain, Croatia, Germany, Hungary, France and Latvia and 4 said that they haven't. The visited destinations are visually presented in Figure 7.

Even though some of the participants' mentioned that they haven't been in a travel specifically for a creative activity, they mentioned several events and festivals organized in their own countries. *I think it would be a good strategy for governments to put such interesting festivals in small towns to boost the economy, to boost tourism. So now I see the value in that* (P1, G2).

Exploring further the participants motivations that would influence them to engage in creative tourism travels in Europe it emerged as most frequent factors food, sports, music, events (exhibitions), history, nature, welcoming people and the hospitability of the place, economical factors (for eg. prices of tickets) and safety. Most of the options included as stimulating factors music, food and nature for both groups.

Figure 7. Visited countries for their creative destinations

Source: authors' representation

The creative turn has reshaped tourism by adding creative content to products and making tourism a space for skill development turning tourism into a dynamic and creative environment, fostering new practices and challenging traditional spaces.

Creativity enhances tourism with activities and atmosphere, while tourism supports creative endeavours as an alternative to mass tourism (Richards, 2011). *Creativity is something that adds value to any destination that you want to go* (P3, G2).

The memories created and experiences are factors that represent as well motivations of returning to a visited place. Moreover positive memories construct strong associations with the tourism experiences. Exploring the participants experiences in creative tourism have emerged positive connections with the place alongside the people and events.

Creativity is a supporting factor in developing innovative solutions to social issues, benefiting society as a whole. Modern tourists increasingly seek new experiences that involve active participation and experiential learning, addressing their creativity and social consciousness generating a complex relationship between creativity and tourism (De Bruin & Jelinčić, 2016). Benefits of integrating creativity into travel experiences at European level have been identified as bringing unique and personal experiences given by locals values and their tradition, boosting the economy for the country and bringing financial benefits, creating good memories, emotions and emotional bonds, expanding horizons and makes the perspective wider, understanding the culture better and learning new skills.

The perspectives of creative tourism developments unveil different perceptions among the focus groups participants. When asked how do they envision the future of creative tourism evolving in Europe the participants underlined the influence of technology and digital advancements, including elements such as the metaverse, augmented and virtual reality, the artificial intelligence in creating an itinerary and organizing travel and get travelling assistance as well as increased accessibility to events and festivals by technology advancement for people with disabilities or without financial resources. *We have already implemented some kind of 3D tours in museums and especially in caves, and you can enjoy the experience and also the history about the place* (P1, G1). The technological enhancements do more than entertain; they have the potential to facilitate a deeper connection between the tourists and the places by providing personalized and context-sensitive experiences. Residents and tourists alike can uncover hidden stories, participate in touristic processes through interactive platforms, or contribute to local culture by engaging in digital art installations. Interactive maps and apps can guide people with disabilities, offering customized routes and information adapted to their specific needs. In this perspective, the creation of experience-centric networks, which rely on interactive and collaborative environments, demands new technological skills and brings new directions in developing engaging and immersive experiences for users (Romero & Molina, 2011). However, the technological advancements shall be regarded with care in consideration of the risks that they involve. *I really hope that in the future we find somewhere to regulate a balance between what AI is supposed to bring to culture* (P5, G1).

Moreover, other aspects such as extended European programmes and more attention to the local communities and in villages have been emphasized. By equipping local entrepreneurs with necessary skills and knowledge, it fosters local entrepreneurship, attracts new talent, and enhances the residents' skills strengthening the local economy and bringing new innovative activities within these communities (Dias et al., 2021). Also the need of preservation of the natural landscape has been underlined as a priority for the future creative tourism initiatives. *I would preserve the nature and give access to people to nature and make it and leave it authentic* (P3, G2).

Various groups and individuals, such as local residents, tourists, local governments, and tourism enterprises, influence the direction of tourism initiatives. In the perspective of new development it is necessary to consider the viewpoints and concerns of these diverse stakeholders and encourage their active engagement, helping to prioritize the interests of different groups. Moreover, community-based tourism initiatives underline the importance of local resident participation in creating tourism products and services. Stakeholders' involvement is based on connections between community actors, emphasizing the need to consider a broad range of interests when making decisions (Liu & Kou, 2024). Stakeholders to be involved in creative tourism mentioned by the participants included governments, municipalities, local or regional councils, people, travel influencers, tourist agencies, local associations, NGOs, unions, artists, private sector. The role of governments has been brought into attention as providing policies support and infrastructure. *If I was in government, I would actually make policies to make these festivals in different areas just to boost the local industries* (P1, G2). By considering the interests of all stakeholders, including local communities, natural resources, cultural heritage, and the environment, governments can develop strategies that balance economic, social, and environmental factors ensuring the tourism sector's long-term viability and safeguarding the communities and local ecosystems (Liu & Kou, 2024). Cooperation among stakeholders has been emphasized as beneficial for tailored solutions adapted to the local communities' environments. *I think that it's collaboration of people, government, also local organizations* (P10, G1) enhancing active engagements. *I think that local associations can contribute because associations are places of gathering people like-minded and that want to make a change* (P3, G2).

Another relevant direction that has emerged within the focus groups is connected to the involvement and potential role of European Union programme in future creative tourism developments. The EU acknowledges the role of culture in enhancing the European tourism experience and boosting Europe as a global destination. The European Commission provides support to cultural tourism sectors with the highest growth potential (European Commission, 2024). EU Programmes mentioned by the participants include DiscoverEU, Erasmus+ and European Volunteering Service (EVS). When asked about the favourite travel memory from Europe and the reasons of being so, the participation in previous projects have been mentioned as *the best memory for me it was two years ago. So I think because it was*

in Slovenia doing my first Erasmus. It was super good because I really enjoy all the experience with all my friends and everything (P1, G1); *my favourite experience from traveling in Europe, I believe, is when I went to a small city next to Krakow in Poland because it was my first experience of traveling alone and also was for an Erasmus plus project* (P10, G1)*; mine was during my Erasmus in Arctic Norway* (P11, G1)*.*

In the perspective of creative tourism developments, negative impacts shall be considered as well. The boom in tourism in recent decades has led to overcrowding in some popular destinations. This has become increasingly annoying for both residents and tourists. Mitchell (2013) points out that there is a risk of following a mercantile approach, similar to what has happened with more common cultural products. This risk is particularly high if community dynamics become fragile due to the increased activity and the emergence of conflicting economic interests within the community. Moreover, in an emerging sector, a functional transformation is occurring in many landscapes and attention is needed to landscape deterioration risks, as areas will evolve to fulfil new consumptive roles. This shift reflects the changing dynamics and challenges of integrating creative tourism into these regions. Therefore, involvement in touristic authentic experiences presents new challenges for this decade. With a growing tendency, creative tourism has become a new challenge for many destinations that, for decades, relied on a cultural tourism massification model (e.g., Barcelona, Venice, Rome). Given its potential to open new destinations, creative tourism must advance into a new phase to avoid becoming banal. A strong commitment is needed particularly for emerging destinations, whether urban or rural, especially in rural areas where the structure is typically fragile and depends heavily on local actors and business entrepreneurship (Remoaldo & Cadima-Ribeiro, 2019). *I will argue that not every place that there is creative tourism it becomes better because I think and that's more of a downside, it may become artificial so for me there are benefits to it only if this creativity has value in it and not only something superficial in order to bring tourists and with their money* (P8, G1).

4. Limitations and future directions

This study acknowledges several limitations that we need to consider. We envisage these limitations from the perspective of future research to expand on the current findings, thereby enhancing the overall understanding of the factors influencing the perceptions of creative tourism. By addressing these gaps, subsequent studies can provide new insights and contribute to a deeper understanding of the determinants driving creative tourism.

Firstly, the paper is subjected to a limited number of participants involved in the two focus groups. The scope of the target group is limited to participants from 13 European countries that generate the identified results and relations in the content, which limit its generalization. Other limits are given by the age limits of the

participants, being involved two different ranges (18-29 and 30-66 years old) and to the fact the focus groups took place in a common setting. Imbalance of the participants is also related to the gender of participants, 8 male and 12 female and the discrepancies between the places of residence, urban (16 participants) and rural (4 participants). The level of the discussion was influenced by the level of English language of the participants, none of the participants being native in English.

The given limits of the study give us possible future directions of enlarging the geographical scope and number of interviewed respondents. Also, new insights would emerge in the case of expanding the no. of focus groups implemented for a deeper exploration of the topic and enable meaningful comparisons. Although this approach captured original points, future research could benefit from exploring creative tourism obstacles and barriers leading to an in-depth understanding of the challenges and facilitate the development of tailored solutions to overcome these obstacles in different settings.

Moreover, conducting a more comprehensive and systematic analysis by involving a larger number of participants and focus groups supported in different locations, would yield deeper insights on the challenges and opportunities encountered by stakeholders in the creative tourism sector and provide a richer understanding of the diverse factors influencing the creative tourism sector development.

Conclusions

The desire to discover new destinations, where tourists can try new experiences, has gained more and more interest from tourists. The development of the tourism-culture-creativity relationship has led to the promotion and development of creative tourism. Creative tourism requires active involvement from tourists, who are engaged in different activities, and the cultural resources used for this purpose contribute to the development of these experiences. Creative tourism emerged as an evolved, interactive and integrated form of cultural tourism (Trinchini & Spyriadis, 2019). It can be practiced in both urban and rural environments, and creativity can be used both as a main tourist attraction or complementary to the respective destination (Castellanos-Verdugo et al., 2010). According to Remoaldo et al. (2022), creative tourism in urban areas proved to be more active, involving multiple forms of manifestation.

The paper explores the perceptions of European tourists upon creative tourism through a qualitative analysis having as base two focus groups carried out with 20 participants from 13 European countries. The insights present similarities and different nuances in creative tourism perceptions according to the age ranges of tourists, in a comparative perspective 18-29 years old and 30-66 years old.

From a researcher's perspective, studying creative tourism is beneficial for understanding tourism development as this approach points out new contemporary

trends in tourism development. Researching this theme emphasizes the dynamics of creative industries in association with tourism and the potential of cross-sectoral collaboration between the tourism sector and creative industries, suggesting new models of partnership and innovation.

While the interest in researching creative tourism has been growing since the 2000s, at the level of tourists themselves the level of being familiarised with the concept is rather low. The participants involved in the focus groups mentioned they haven't heard about creative tourism before and when defining the concept they provided their own personal suppositions and opinions by associating the words creativity and tourism. The most frequent words that emerged within the analysis are creative, tourism, people, experience, places and festival that underlines the strong association of tourists' active engagement within the creative events and the influence of the place-based influences. Moreover the opinion mining revealed the high association between creativity and tourism as well as favourite and new experiences.

The co-occurrences analysis among the code labels underlines that the creative tourism is strongly connected with culture and that the cultural factors have a high influence in the decision of involving in a touristic activity. In consideration of the motivations of involvement in creative tourism activities it has been identified that the involved respondents with the age range 18-29 have a preponderant preference towards creativity factors while the respondents with the age range 30-66 are predisposed to motivations connected with nature and environmental connected activities.

Both groups envisage an increase of technological and digital factors in the future of creative tourism. The integration of technology bridges the gap between tangible and intangible culture, making touristic experiences more interactive and enjoyable. Advanced technologies such as augmented reality or virtual reality and interactive installations have the potential to transform touristic destinations into dynamic and engaging environments. For instance, technology can support to overlay historical information, artistic interpretations, or gamified elements onto physical locations, enable residents and visitors to interact with the culture of the place and offer immersive experiences that transpose tourists to different historical periods.

The touristic activity is highly connected with travelling and the associated terms such as people, places, memory, souvenir, journey, sightseeing, destination, prices and planning.

The need of stakeholders' involvement is highlighted in respect to the development perspectives of creative tourism. As stakeholders identified there are the governments, municipalities, local or regional councils, people, travel influencers, tourist agencies, local associations, NGOs, unions, artists and private sector. European Union is appreciated to be a key stakeholder in supporting the creative tourism development by facilitating a favourable environment and supportive policies and programmes.

The critical assessment and risks of creative development need to be considered as well in the development perspectives. The excessive growth and dangers of commercialization shall be regarded with care and sensitivity.

In short, creative tourism revitalizes cultural landscapes, offering fresh perspectives for both residents and visitors. Creative tourism enhances participation and fosters the relational aspect of the touristic exchange. It transforms local stakeholders into both producers and users, including tourists who visit and engage with the community's structures. This interaction revitalizes prime areas, such as the often underutilized old town, bringing new life into them (Marques & Borba, 2017). This approach transforms locals and tourists alike into active place-makers and change makers, fostering a sense of ownership and engagement with their community. Future exploration of the study is envisaged in consideration of new insights that can represent relevant arguments in dedicated tools and programmes that facilitate creative tourism development.

References

Akdemir, H., Sousa de São José, J. M. & Gonçalves, A. R. (2023). Empirical Research on Creative Tourism: A Systematic Review. *Journal of Tourism & Development*, *41*, 531-550. https://doi.org/10.34624/rtd.v41i0.30537

Aldhanhani, H. M. O. R. & Zainudin, M. Z. (2022). Study on the Satisfaction Level of Heritage and Cultural Tourism Information Available in Media. *International Journal of Sustainable Construction Engineering and Technology*, *13*(4), 244-253. https://doi.org/10.30880/ijscet.2022.13.04.022

Atenstaedt, R. (2012). Word cloud analysis of the BJGP. *British Journal of General Practice*, *62*(596), 148-148. https://doi.org/10.3399/bjgp12X630142

Arcos-Pumarola, J., Georgescu-Paquin, A. & Hernández-Sitges, M. (2023). The use of intangible heritage and creative industries as a tourism asset in the UNESCO creative cities network. *Heliyon*, *9*, e13106. https://doi.org/10.1016/j.heliyon.2023.e13106

Benhaida, S., Saddou, H., Safaa, L., Perkumiene, D., & Labanauskas, V. (2024). Acquirements of threedecades of literature on culturaltourism. *Journal of Infrastructure, Policy and Development*, *8*(6), 3817. https://doi.org/10.24294/jipd.v8i6.3817

Blapp, M., & Mitas, O. (2018). Creative tourism in Balinese rural communities. *Current Issues in Tourism*, *21*(11), 1285–1311. https://doi.org/10.1080/13683500.2017.1358701

Castellanos-Verdugo, M., Caro-González, F., & Oviedo-García, M. (2010). An application of Grounded Theory to cultural tourism research: Resident attitudes to tourism activity in Santiponce. In G. Richards & W. Munsters (Eds.), *Cultural tourism research methods* (pp. 115-127). Wallingford, UK: CAB International.

Centre for the Promotion of Imports from developing countries (CBI). (2021). *The European market potential for cultural tourism*. https://www.cbi.eu/market-information/tourism/cultural-tourism/market-potential

Chang, L. L., F. Backman, K., & Chih Huang, Y. (2014). Creative tourism: a preliminary examination of creative tourists' motivation, experience, perceived value and revisit intention. *International Journal of Culture, Tourism and Hospitality Research*, *8*(4), 401-419. https://doi.org/10.1108/IJCTHR-04-2014-0032

Cheng, T.-M., & Chen, M.-T. (2023). Creative Atmosphere in Creative Tourism Destinations: Conceptualizing and Scale Development. *Journal of Hospitality & Tourism Research*, *47*(3), 590-615. https://doi.org/10.1177/10963480211012459

Corá, J., & Henriques, C. (2021). O turismo criativo como base para as políticas focadas no desenvolvimento sustentável local: O caso de Brasília e do Recife – Brasil. *Revista Turismo & Desenvolvimento*, *36*(1), 367-379. https://doi.org/10.34624/rtd.v1i36.9217

Creative Tourism Network. (2024). *The Creative Tourism Network*. https://www.creativetourismnetwork.org/presentation/

Daniels, N., Gillen, P., Casson, K., & Wilson, I. (2019). STEER: Factors to Consider When Designing Online Focus Groups Using Audiovisual Technology in Health Research. *International Journal of Qualitative Methods*, *18*. https://doi.org/10.1177/1609406919885786

Dale, C., & Robinson, N. (2007). Strategic imperatives for tourism SMEs in Europe. In Thomas, R. & Augustyn, M. (Eds.), *Tourism in the New Europe* (pp. 47-62). Routledge.

De Bruin, A., & Jelinčić, D. A. (2016). Toward extending creative tourism: participatory experience tourism. *Tourism review*, *71*(1), 57-66. https://doi.org/10.1108/TR-05-2015-0018

Deng, Y., Lee, H.M., Lee, T.J., & Hyun, S.S. (2024). Co-creation of the tourist experience: A systematic assessment scale. *Tourism Management Perspectives*, *51*, 101212. https://doi.org/10.1016/j.tmp.2023.101212

Dias, Á., González-Rodríguez, M. R., & Patuleia, M. (2021). Creative tourism destination competitiveness: an integrative model and agenda for future research. *Creative Industries Journal*, *16*(2), 180–203. https://doi.org/10.1080/17510694.2021.1980672

Dias, A., González-Rodríguez, M.R., Pereira, L. & Costa, R. (2023). Attracting and retaining creative tourism entrepreneurs. *Creative Industries Journal*, 1-16. https://doi.org/10.1080/17510694.2023.2203290

European Commission. (2024). *Cultural tourism*. https://single-market-economy.ec.europa.eu/sectors/tourism/eu-funding-and-businesses/funded-projects/cultural_en

European Travel Commission (ETC). (2022). *Restaring Tourism for the Better: Performance of European Tourism Before, During & After Covid*. Brussels. https://etc-corporate.org/uploads/2022/03/2022_Performance-of-European-tourism-before-during-and-beyond-the-Covid-19-pandemic.pdf

Galvagno, M., & Giaccone, S. C. (2019). Mapping Creative Tourism Research: Reviewing the Field and Outlining Future Directions. *Journal of Hospitality & Tourism Research*, *43*(8),1256-1280. https://doi.org/10.1177/1096348019862030

Guo, R., Kou, I. E., Jiang, Q. (2023). Unlocking the Creative Potential: A Case Study of Luoyang City's Creative Tourism Development. *Sustainability*, *15*(20), 14710. https://doi.org/10.3390/su152014710

Kahl, C. H., Hermes da Fonseca, L. & Witte, E. H. (2009). Revisiting Creativity Research: An Investigation of Contemporary Approaches. *Creativity Research Journal*, *21*(1), 1-5. https://doi.org/10.1080/10400410802633350

Kashyap, R., & Bojanic, D. C. (2000). A Structural Analysis of Value, Quality, and Price Perceptions of Business and Leisure Travelers. *Journal of Travel Research*, *39*(1), 45-51. https://doi.org/10.1177/004728750003900106

Kennett, B. (2002). Language Learners as Cultural Tourists. *Annals of Tourism Research*, *29*(2), 557–559. https://10.1016/s0160-7383(01)00042-1

Khadivar, A. & Golestani, M. (2022). Sustainable Development of Creative Tourism Using a System Dynamics Approach. *Journal of Tourism Planning and Development*, *11*(43), 75-94. https://doi.org/10.22080/JTPD.2023.24283.3739

Li, P. Q. & Kovacs, J. F. (2022). Creative tourism and creative spaces in China. *Leisure Studies*, *41*(2), 180-197. https://doi.org/10.1080/02614367.2021.1948596

Li, P.Q. & Kovacs, J.F. (2024). Creative tourism and visitor motivation. *International Journal of Tourism Research*, *26*(1), e2601. https://doi.org/10.1002/jtr.2601

Liu, T., & Kou, I. E. (2024). Determinants for the development of creative tourism: a stakeholder perspective. *Heliyon*. https://doi.org/10.1016/j.heliyon.2024.e33727

Maldonado-Erazo, C. P., Álvarez-García, J. & del Río-Rama, M. C. (2016). Investigación académica internacional en turismo creativo. *Tourism and Hospitality International Journal, 7*(2), 80-106.

Masadeh, M. A. (2012). Focus group: Reviews and practices. *International Journal of Applied Science and Technology*, *2*(10).

Marques, L., & Borba, C. (2017). Co-creating the city: Digital technology and creative tourism. *Tourism management perspectives*, *24*, 86-93. https://doi.org/10.1016/j.tmp.2017.07.007

Marujo, N., Serra, J. & do Rosário Borges, M. (2020). The Creative Tourist Experience in the Alentejo Region: A Case Study of the CREATOUR Project in Portugal. In: Rocha, Á., Abreu, A., de Carvalho, J., Liberato, D., González, E., & Liberato, P. (Eds.), *Advances in Tourism, Technology and Smart Systems. Smart Innovation, Systems and Technologies* (pp. 705-714). Springer. https://doi.org/10.1007/978-981-15-2024-2_60

Mitchell, C. J. (2013). Creative destruction or creative enhancement? Understanding the transformation of rural spaces. *Journal of Rural Studies*, *32*, 375–387. https://doi.org/10.1016/j.jrurstud.2013.09.005

Mumford, M.D. (2003). Where Have We Been, Where Are We Going? Taking Stock in Creativity Research. *Creativity Research Journal*, *15*(2-3), 107-120. https://doi.org/10.1080/10400419.2003.9651403

Murphy, P., Pritchard, M. P., & Smith, B. (2000). The destination product and its impact on traveller perceptions. *Tourism management*, *1*(1), 43-52. https://doi.org/10.1016/S0261-5177(99)00080-1

Organisation for Economic Co-operation and Development (2014). *Tourism and the creative economy*. OECD Studies on Tourism: OECD Publishing. https://doi.org/10.1787/9789264207875-en

Parker, A., & Tritter, J. (2006). Focus group method and methodology: current practice and recent debate. *International Journal of Research & Method in Education*, *29*(1), 23–37. https://doi.org/10.1080/01406720500537304

Ramos-Soler, I., Martínez-Sala, A. M., & Campillo-Alhama, C. (2019). ICT and the sustainability of World Heritage Sites. Analysis of senior citizens' use of tourism apps. *Sustainability*, *11*(11), 3203. https://doi.org/10.3390/su11113203

Remoaldo, P., & Cadima-Ribeiro, J. (2019). Creative Tourism as a New Challenge to the Development of Destinations: The Portuguese Case Study. In M. Peris-Ortiz, M.R. Cabrera-Flores & A. Serrano-Santoyo (Eds.), *Cultural and Creative Industries. Innovation, Technology, and Knowledge Management*. Springer, Cham. https://doi.org/10.1007/978-3-319-99590-8_5

Remoaldo, P., Ghanian, M. & Alves, J. (2020). Exploring the Experience of Creative Tourism in the Northern Region of Portugal—A Gender Perspective. *Sustainability*, *12*(24), 10408. https://doi.org/10.3390/su122410408

Remoaldo, P., Matos, O., Freitas, I., Gôja, R., Araújo Alves, J., Ribeiro, V., Pereira, M., & Xavier, C. (2022). An International Overview of Certified Practices in Creative Tourism. In: Rural and Urban Territories. *Journal of Hospitality & Tourism Research*, *46*(8), 1545-1573. https://doi.org/10.1177/1096348020950792

Richard, B., Sivo, S., Orlowski, M., Ford, R., Murphy, J., Boote, D. & Witta, E. (2018). Online focus groups: a valuable alternative for hospitality research? *International Journal of Contemporary Hospitality Management*, *30*(11), 3175-3191. https://doi.org/10.1108/IJCHM-11-2017-0715

Richards, G., & Raymond, C. (2000). Creative tourism. *ATLAS news*, *23*(8), 16-20.

Richards, G. (2011). Creativity and tourism: the state of the art. *Annals of tourism research*, *38*(4), 1225–1253. https://doi.org/10.1016/j.annals.2011.07.008

Richards, G. (2020). Designing creative places: The role of creative tourism. *Annals of Tourism Research*, *85*, 102922. https://doi.org/10.1016/j.annals.2020.102922

Robina-Ramírez, R., Sánchez, M. S. O., Jiménez-Naranjo, H. V., & Castro-Serrano, J. (2021). Tourism governance during the COVID-19 pandemic crisis: A proposal for a sustainable model to restore the tourism industry. *Environment, Development and Sustainability*, 1-22. https://doi.org/10.1007/s10668-021-01707-3

Romero, D., & Molina, A. (2011). Collaborative networked organisations and customer communities: value co-creation and co-innovation in the networking era. *Production*

Planning & Control, *22*(5-6), 447-472.
https://doi.org/10.1080/09537287.2010.536619

Sarantou, M., Kugapi, O. & Huhmarniemi, M. (2021). Context mapping for creative tourism. *Annals of Tourism Research*, *86*, 103064. https://doi.org/10.1016/j.annals.2020.103064

Smith, M. (2023). *Issues in Cultural Tourism Studies* (3rd Edition). Routledge.

Smith, M., Macleod, N., & Robertson, M. H. (2010). Cultural tourism. In *Key Concepts in Tourist Studies* (pp. 30-34). SAGE Publications Ltd. https://doi.org/10.4135/9781446251027

Smithson, J. (2000). Using and analysing focus groups: Limitations and possibilities. *International Journal of Social Research Methodology*, *3*(2), 103–119. https://doi.org/10.1080/136455700405172

Tan, S.K., Luh, D.B. & Kung, S.F. (2014). A taxonomy of creative tourists in creative tourism. *Tourism Management*, *42*, 248-259. http://dx.doi.org/10.1016/j.tourman.2013.11.008

Tan, S. K., Tan, S. H., Luh, D. B., & Kung, S. F. (2016). Understanding tourist perspectives in creative tourism. *Current Issues in Tourism*, *19*(10), 981–987. https://doi.org/10.1080/13683500.2015.1008427

Thongsamak, J. & Jitpakdee, R. (2019). Sustainability Indicator Analysis of Creative Tourism by Using the Delphi Technique: Case Study of Creative Tourism in Nakhon Si Thammarat Province, Thailand. *The Journal of Social Sciences Research*, *5*(1), 201-210. https://doi.org/10.32861/jssr.51.201.210

Trinchini, L. & Spyriadis, T. (2019). Towards Smart Creative Tourism. In V. Katsoni & M. Segarra-Oña (Eds.), *Smart Tourism as a Driver for Culture and Sustainability* (pp. 451-465). Springer, Cham. https://doi.org/10.1007/978-3-030-03910-3_31

United Nations Educational, Scientific and Cultural Organization. (2006). *Towards sustainable strategies for creative tourism: Discussion report of the planning meeting for the 2008*. International Conference on Creative Tourism. https://unesdoc.unesco.org/ark:/48223/pf0000159811

Zach, F., & Racherla, P. (2011). Assessing the value of collaborations: A case study of Elkhart County, Indiana. *Journal of Travel & Tourism Marketing, 28*(1), 97-110. https://doi.org/10.1080/10548408.2011.535446

Zeng, L., Proctor, R.W. & Salvendy, G. (2011). Can Traditional Divergent Thinking Tests Be Trusted in Measuring and Predicting Real-World Creativity? *Creativity Research Journal*, *23*(1), 24-37. https://doi.org/10.1080/10400419.2011.545713

Wattanacharoensil, W., & Sakdiyakorn, M. (2016). The Potential of Floating Markets for Creative Tourism: A Study in Nakhon Pathom Province, Thailand. *Asia Pacific Journal of Tourism Research*, 21(sup1), S3–S29. https://doi.org/10.1080/10941665.2014.998250

Wei, M., Liu, M., Peng, Y., Zhou, X. & Li, S. (2023). Effects of creative atmosphere on tourists' post-experience behaviors in creative tourism: The mediation roles of

tourist inspiration and place attachment. *International Journal of Tourism Research*, *25*(1), 79-96. https://doi.org/10.1002/jtr.2553

Williams, A., & Katz, L. (2001). The use of focus group methodology in education: Some theoretical and practical considerations, *5*(3). *International Electronic Journal for Leadership in Learning*.

English as a dominant language and the digital culture of the generation Z: the impact on Romanian culture in the European context

Rebeca-Maria Oanță ✉

EXL Service Company, New York, USA

Abstract: English is not only the language of European policies and relations, but it is also the language of our films, our art and our culture. For many of us, the English language is an unavoidable tool for navigating the world. Consequently, this paper is focused on the use of English in everyday life with an emphasis on spoken language. This study will make an overview of how much the internet and English have impacted everyday discourse and Romanian culture. The core of the study is the analysis of spoken language within its younger, most digitalized generation, generation Z. This study will primarily focus on how English is used in informal contexts rather than formal. The analysis will serve as a demonstration of English's great dominance on Romanian culture and how it has shaped everyday language into a mixture of internet slang, memes and pop culture. The paper will conclude whether this form of multilingualism is either positive or negative for the development of the younger generation.

Keywords: internet, technology, language, digital culture, English language, generation Z, Millennial generation, Romanian culture, literature

Introduction

There is no denying that English should be considered the "Lingua franca" of today's society as it has come to influence people's lives unprecedently. Not only did English intrude in our work, our films, our education, and our policymaking but also in our everyday speech. Researcher Rosemary Salomone emphasizes this truth in *The Rise of English Global Politics and the Power of Language*: "In the intervening years, English has become not just the "language of Europe;" it has become the dominant lingua franca of the world. It is an official language of the United Nations, the World Trade Organization, the International Criminal Court, and NATO. (…) English governs the books young people read, the films and television programs they watch, the cultural values they absorb, and their career options." (Salomone, 2022, p. 4) The knowledge of English has become an indispensable tool for navigating the world. Consequently, this paper aims to analyse how English-

---

✉ EXL Service Company, New York, USA, e-mail: rebeca.oanta@yahoo.com.

speaking digital culture has come to shape the Romanian cultural landscape with a primal focus on the use of spoken language. The younger generations such as generation Z frequently instrumentalize English in their speech due to their regular access to social media. This paper aims to discover the impact that English and digital culture have on Romanian everyday discourse and culture. The internet's effects will be analysed through the means of its most digitized generation, generation Z. This generation is comprised of the people born between 1997 and 2012. This paper considers English to be an important expressive tool for this generation mainly because generation Z has been exposed to social media from an early age and it is thus, the most qualified user of digital tools. Often described as a *digitally native* generation, generation Z members both create digital content and/or consume it nearly every single day of their lives. Technology is thus deeply ingrained in their manner of speech and their lives in general. Language is considered to be a constantly growing and shapeshifting organ, in the state of constant development, which is why conducting an analysis on language as it is spoken in this very moment is crucial for understanding language change. This is the reason why the discourse of the young, coming-of-age generation is at the core of the analysis. The speech and the digital culture of generation Z represent the zeitgeist of our developing world.

The research methodology chosen for our paper has been the exploration for a period of four months the content of generation Z Romanian influencers with either large or small audiences. For accuracy and diversity purposes, creators that produce content on an array of topics have been chosen for analysis. This has also aided us to have a comparative perspective and analyse how each content creator melanges a specific terminology with the digital. Selected creators have interests and backgrounds in following areas but not limited to: advertising, fashion, politics, travelling etc. The selected content is video-based (Tik Toks, Reels, Vlogs) and written-based (Instagram posts and captions). The methodological approach is the following: a data observation process (of over four months), data selection, data categorization followed by data analysis. Data selection refers to the process of choosing the most relevant data (in terms of speech analysis) for the given subject. In other words, although we have looked at different types of content, we have selected the relevant videos where content creators speak the most and voice their opinions. Content where no speech is involved or pictures with no written descriptions have not been considered relevant for the analysis and thus have not been selected. Data categorization refers to the process of splitting data in the most prevalent categories. For example, the purpose of this paper has been to look at the possible reasons why young people employ English in their everyday discourse. Three possible reasons have been discovered: conciseness (refers to the instances where content creators resort to speaking English instead of Romanian in order to express oneself in a simpler, more rapid manner), trends and/or technology (refers to the instances where content creators resort to speaking English instead of Romanian in order to reference a certain technological tool or functionality), humour

(refers to the instances where content creators resort to speaking English instead of Romanian in order to entertain their audiences). All of these categories serve as a way of analysing why English has become such an important tool for navigating the world of the young and why it has come to be synonymous with their point of view. These categories represent the key findings of our paper. The main aim of this analysis is to have a comprehensive understanding of the cognitive and linguistical reasons why young people use English in their discourse. Moreover, our aim is to discover whether the old generation does or does not have valid criticism towards the generation Z. The criticism of the older generations is usually incessantly revolving around generation Z's presupposed superficiality and disconnection from their mother tongue and native culture. The aim of the research is to form an opinion on this criticism not to instantly counteract it. However, this study does not refrain from highlighting the older generation's hypocrisy. As the Boomers and Generation X members may see superficiality in an English-dominated speech but choose to ignore their own obsession with American culture in the Communist period. Moreover, criticism can only widen the generation gap and is unproductive in creating a dialogue between the two generations.

The most important part of our paper is the data analysis which has been divided into three parts, each dedicated to the categories above mentioned. The first part explores the question of whether English is a more concise language than Romanian given that most content creators use English in order to express themselves more rapidly. The second part explores how technology affects language. This study will make an overview of certain technological functionalities and developments by observing how technical terminology influences everyday discourse. The third part explores the heavily referenced slang of the generation Z and how it is combined with Romanian. The purposes of humoristic effects will also be observed. Additionally, this paper will emphasize the communities of people that have popularized the term and the issues of reappropriation. The melange of English and Romanian in generation Z's discourse reflects an urgent need, the need to explain oneself in a rapid manner and to feel instantly comprehended by others. English serves as a tool for rapid expression and language becomes intertwined with technological development. This is made evident by the additional vocabulary that technical development brings to life. The new terminology that technical development brought to life will be emphasized. Additionally, the adaptation of this new terminology to Romanian will also be observed. The data analysis comprises a conclusion on the usage of English. The study argues that the usage of English reflects today's fast paced world. The internet feels like an infinity as it contains an array of images, videos, and text. To navigate through this infinite amount of content, one must make oneself clear, through precise humour, precise references, and of course, through precise language. The language that the young generation uses is at times niche as it is heavily influenced by pop culture. The gap between the

generations is significantly wide and the blame is rightful to fall on a specific slang that one must master.

Another important aspect of our paper will be reflected in the exemplifications of digitally influenced Romanian literary works. How the literary world has been impacted by the rise of English and digital culture will be explored through the means of two notable examples of contemporary Romanian poetry. The reason being that literary texts have the capacity to show how deeply ingrained digital terminology is in Romanian culture. This paper will focus on contemporary Romanian literature as this is evidently the literature which grows alongside the internet unavoidably impacted by its rise. This paper will not perform an in-depth literary analysis but more of a thematical one. Poetic structures associated with the digital space or social media will be exemplified. Our paper will conclude with a combination of the findings on language and literature. This paper will demonstrate the significant impact of English and digital culture on everyday language and our literary works to come. It is only evident that a new language creates a new literature. Our world is witnessing a wave of literature which heavily relies on the digital in terms of artistic expression. This literature is written more often than not for and by the young generation. Especially when it comes to poetry, many generation Z members have come to enter the Romanian literary scene, these poets choose to rely on social media, internet slang and English in order to artistically express themselves. This new wave of poetry which is shyly shaping its course in the Romanian literary landscape cannot however, escape criticism from the older generation. The aim for this final part is to explore what role does the digital play within the literary works of generation Z. This paper aims to discover whether the digital is seen as means of connection or disconnection and will emphasize this generation's perspective on technology, social media and political issues. The study is more of a thematic literary exploration based on the belief that art does imitate life. Moreover, through generation Z's art, a new exploration of the digital space is being brought to light. This exploration exposes a reality that we sometimes choose to ignore, a reality which places the young generation in positions of lonely, disconnected, depressed and helpless individuals struggling to face the world.

1. Literature review: generation Z key characteristics

Having background information about generation Z is relevant for the study because it is important to first understand a group of people before analysing their speech. This information will serve our language and cultural analysis. Anna Dolot in her study *The Characteristics of Generation Z* suggests that there is no other generation with as many names as the ones given to generation Z. For example, generation Z is also known as "Gen Tech, Online Generation, Post Millennials, Facebook Generation, Switchers" etc. (Dolot, 2018, p. 45) This alternative names for the gen Z members evidently emphasize their tight connection to technology and

social media. "Switchers" as a name for the generation z is the phenomenon that Dolot describes as the "switch between two worlds" (Dolot, 2018, p.45) Generation Z have the newly found ability to interact with both with the digital and the physical world as the author suggests. The conclusion we can draw from this is that generation Z is comprised of people that are not present, to switch between two worlds means to not be present in either of them. Additionally, another important aspect of the generation Z is their speed of talking, creating, watching or thinking. Digital tools are rapid, they provide the possibility of consuming millions of videos and pictures per minute. It is only evident that the most eager users of these are also quite rapid in terms of movement and cognition. A term often used to describe Generation Z is that of *digital natives* precisely because the internet plays such an immense role in their lives. A study from McKinsey and Company suggests that "(…) Gen Zers— speaking generally—are extremely online. Gen Zers are known for working, shopping, dating, and making friends online; in Asia, Gen Zers spend six or more hours per day on their phones." (McKinsey, 2023, p.2) Other important aspects that have been observed by researchers are the following: Generation Z values individual expression, they avoid labels and they are always mobilized for social causes. (Tracy and Hoefel, p. 2) On the other hand, the most common negative characteristic of Generation Z is focused on their mental health issues.

The recurring cliches suggest that gen Zers have a short attention span, that they are overly sensitive or experience anxious feelings. The most popular insult of 2016 was "snowflake" according to the Guardian (Nicholson, 2016). *Snowflake* is a derogatory term for a person that is easily offended. The official definition would be "a way of referring to the type of young people who are considered by some people to be too easily upset and offended" (Cambridge Dictionary)[1] Consequently, there is no doubt that one of the most negative qualities of the Generation Z is perceived to be their sensitivity, their propensity towards negative emotions such as anxiety and depression. New studies have started to refer to Generation Z as the "loneliest generation" (Bowler, 2020) suggesting that "Young adults (…) are still much more likely to be lonely than older adults." (The Cigna Group, 2021) The main culprit for these negative feelings is thought to be social media suggesting that people that use social media more are more likely to experience feelings of loneliness. (Coombs, 2020) The cause for such feelings could be explained by another study conducted at the University of Montclair which suggests that Generation Z perceives the world as being more dangerous than previous generations (Rubin, 2024). Although the issue of mental health is complex as it is difficult to establish precisely how previous generations used to evaluate their state of wellbeing. For example, if this research

---

[1] The term used to by conservative politicians especially by Trump supporters. In 2019, the former president of the United States launched a website entitled snowflakevictory.com in order to give advice to republicans on how to win arguments against their liberal relatives. (Gallagher, 2020)

would consider Romanian's situation, it is unlikely to believe that Generation X or Boomers experienced fewer negative feelings taking into consideration that they had to live under a totalitarian regime. The paper is not concerned however with making these comparisons between generations, but rather with looking how this propensity that Gen Z has for caring or having issues mental health intertwines with the way that they speak.

1.2 The evolution of language

Language is a vital component of human life and it has always adapted to reflect changes in social relationships, lifestyles, and technology. Language is frequently compared by linguists to a living organism that is continuously changing, adapting, and thriving in reaction to its surroundings: "The English language, like a healthy, growing tree, each year puts out more new leaves than it loses old ones, and thus its lexical foliage becomes ever lusher and more luxuriant." (Algeo, 1980, p. 267) English particularly has proven incredible development and adaptation over the last years. More people than ever before speak English as their first or second language as Rosemary Salomone suggests "By 2012, (…) a majority of EU citizens (56 percent) spoke English as a first or second language. Setting aside the loss of first language speakers since the United Kingdom's departure from the European Union, and not considering levels of fluency, the figure on second language speakers especially among young people is presumably higher today but certainly nowhere near universal." (Salomone, 2022, p. 4) This extensive usage of English in so many different countries and contexts requires a constantly growing vocabulary. Vocabulary expansion is usually motivated by a variety of factors such as political changes, sociological or cultural developments, and moral factors. This paper is most interested by the technological factors that motivate language change meaning the "rapid advances in information technology, industries, products and economy" that "simply require new words that drive language change." (Mantiri, 2010, p. 2). Our research brings to light the significant amount of new terminology that was born along with the internet. Few most common words that were brought to life by the internet are "like", "meme", "selfie", "dm" (meaning the instant message you can send on Instagram) etc. This only demonstrates that language continuously evolves alongside technology. However, some words can easily disappear along with obsolete technologies as Oktavian Mantiri suggests with the example of the floppy disk: "the term 'floppy disk' was considered a brand new lexical development, but now it is rarely used or featured in today's conversations as it has been replaced with 'memory stick' " (Mantiri, 2010, p. 3).

2. Methodology

The methodology chosen for this research paper is the data observation process taking place for 120 days starting on the 10th of January 2024. This was followed by data selection which refers to the process of choosing the relevant data in terms of speech analysis. Relevant data in terms of speech analysis refers to the data where Romanian creators are talking, expressing their thoughts and opinion. Data containing pictures with no caption or videos with no written phrases is not considered to be relevant data and thus has not been selected. The selected data for this research study is supposed to clearly represent how young people speak in general which is why the chosen influencers come from a variety of backgrounds and create a diverse range of videos. For example, the first creator named Denisa Elena has a background in law and is interested in creating lifestyle and sometimes opinion content. Her most commonly used platform is TikTok and her current audience is of 354 000 followers. Another example would be the influencer Nadia Hu or Nadd Hu, a half Chinese, half Romanian content creator with a background in musical and artistic studies. Her YouTube channel has 73 500 subscribers, she is active on Instagram and TikTok as well. Mara "Calli" and Sabina Teodora both are interested in fashion, the latter has studies academic studies in fashion. Anca "Thunder" and Ruxandra or "Really Rux" as her online account is called, are both interested in producing comedic content. The first one usually creates on TikTok, the latter usually uses YouTube. Ruxandra or "Really Rux" has a background in advertising and has worked in the field prior to starting her online activity. She is not part of the generation Z, but of the millennial generation. However, her videos have been included in the study because of her large generation Z audience. Silviu Istrate or "Silviu Faiăr" is one of the most well-known Romanian Twitch streamers. Currently, his Twitch account has 134 000 subscribers and his YouTube channel has 211 000 subscribers. Similarly to "Really Rux", he has a background in advertising and he is part of the Millennial generation. However, he is known for his generation Z audience and he represents generation Z in terms of political beliefs and opinions. He is well-known for his progressive views especially regarding minority and women's rights and he vehemently opposes far-right political extremism. Anca Petcu is a very popular Romanian TikToker, she usually creates travel and lifestyle content. Similarly, Valentina Hristov and Ioana Taisia Turcescu or "Yoyo" are also interested in fashion and lifestyle content. Ioana Taisia Turcescu has a background in communication studies from the University of Villanova, United States. In the videos selected, the creators express themselves in English whether through slang or a melange of English and Romanian. For this research paper, the content has been selected in order to analyse why and how these people use English, their expressive reasons, the digital references and the overall impact English has on Romanian.

Table 1. Representing the first category: data selected from the app "TikTok"

Creator Name	Date	English[2]	Slang[3]
Denisa Elena or "Deni Elena"	16/05/2024	side by side, lavish, I'm not doing enough, it's still not working, scroll, blessing, insane.	N/A
Anca "Thunder"	18/05/2024	Story-uri, like-uri	delulu
Nadd Hu	15/04/2024	Contouring, make up, smokey eye, stuff like that	cute
Mara "Calli"	07/05/2024	Princessy, outfit-uri, insane, amazing	Chef's kiss, basic
Mara "Calli"	27/03/2024	Safe, fast fashion, regular	N/A
Ioana Taisia Turcescu or "Yoyo"	16/04/2024	Damn, that's really personal, it's really weird, horror, single, crippling fear, you know what I'm saying, stream of consciousness, love life, it's fine, for whatever reason	N/A

Source: author's representation

Table 2. representing the second category: data selected from the app "YouTube"

Creator Name	Video Name	English	Slang
Silviu Istrate or "Silviu Faiăr"	*How to be a main character in Romania[4]*	For some reason, rage bait, entitlement, obnoxious, scam, oh my God.	main character vibes, hot, cringe, true.
Ruxandra or "Really Rux"	*The secrets of the corporate workers: what do they do at the office?[5]*	deal with them, sure that's mean, aware, carbon footprint, first of all, insecure.	Juicy, what's the tea.
Ruxandra or "Really Rux"	*What does gen Z do at work[6]*	Beauty, overweight, small business, it's not good, how, I don't know, I guess, let me guess, gruesome, a lot of money, horror	sneaky, slay, you go girl, work bestie, girl, based

---

[2]For this category, the English words or phrases used by Romanian creators in their videos have been selected.

[3]For this category, the slang used by Romanian content creators has been selected.

[4]From original in Romanian "Cum să fii un personaj principal în România." (Author's translation).

[5]From original in Romanian "Secretele corporatiștilor: ce fac la birou?" (Author's translation).

[6] From original in Romanian "Ce fac gen z la job-uri" (Author's translation).

| Ruxandra or "Really Rux" | *How to hack your exes[7]* | ask Gen Z, match, right, well, obviously, shattered, don't come running back to me, dating app, I kept on going, in the sherlock Holmes style, I did it, her best friend, over my budget, overpriced, swipe, here This paper go again, black hatter, jail, my lowest point, redemption arc, enjoyable. | The bookworm, the cool girl, slay. |

Source: author's representation

Table 3. representing the third category: data selected from the app "Instagram"

Creator Name	Date	English	Slang
Anca Petcu	18/05/2024	Also, fun, love and support, stick to it, quality memories.	N/A
Sabina Teodora	20/03/2024	What I live for, swipe for more, I love them.	Serving, girl time
Valentina Hristov or "Valentina is love"	11/05/2024	Quick fit change with my dearest.	N/A

Source: author's representation

2.1. Data categorization

This paper will explain more precisely the reasons behind our categorizing process. The data selected was split in order to have a better grasp on why young people choose to speak English instead of Romanian. The research has unveiled three possible reasons for English being used predominantly in this Generation's discourse. The first reason is conciseness which refers to the instances where young people use English in order to explain themselves more easily and rapidly. Speaking English online reflects an urgent need, a need that is demanded by the internet and social media, a need to make oneself understood immediately. The internet is as fast paced as our world, this is one of the main reasons young people prefer speaking English instead of Romanian because they opt for a simpler way to convey a message. The second reason why people choose to speak English instead of Romanian is in order to reference a digital tool or a certain digital trend. New digital terminology has come to only make our language grow and develop. Like any new technology, social media and the internet have brought to life an array of new vocabulary and expressions. Understanding this vocabulary and expressing it is the

---

[7] From original in Romanian "Cum să îți hackuiești foștii" (Author's translation)

key to navigating the digital world. The third reason why young people use English is for humoristic reasons, they use it as a way of entertaining their peers. Generation Z humour is particularly creative, it relies on memes, TikToks, dances and creating new words. Understanding Generation Z humour requires speaking English and mastering certain internet trends.

Table 4. representing examples for each linguistic category

1. Conciseness	2. Trends and technology	3. Humour
Side by side, lavish, I'm not doing enough, it's still not working, blessing, contouring, stuff like that, fast fashion, regular, crippling fear, smokey eye, love life, it's fine, entitlement, obnoxious, scam, oh my God, first of all, sure that's mean, deal with them, aware, carbon footprint, overweight, let me guess, also, fun, love and support, stick to it, quality memories, right, how do you guys do it, match, overpriced, I did it, shattered, over my budget, dating app, well, obviously.	Story-uri, like-uri, outfit-uri, rage bait, swipe for more, fit change, swipe.	Delulu, chef's kiss, basic, main character vibes, hot, cringe, juicy, what's the tea, sneaky, slay, you go girl, work bestie, girl, based, serving, girl time, the bookworm, the cool girl, princessy.

Source: author's representation

Words that are difficult to categorize are the following: insane, makeup, amazing, safe, that's really personal, it's really weird, single, you know what I'm saying, stream of consciousness, for whatever reason, insecure, beauty, small business, it's not good, how, gruesome, horror, a lot of money, what I live for, I love them; This paper has found representative examples for each category. These are just one of the many reasons Romanian content creators use English in their online discourse.

2.2. Data analysis[8]

The results of our research are the following: Generation Z uses English in informal contexts for the following reasons but not limited to the referencing of different trends or certain technologies, to express oneself more concisely, to express oneself in a humoristic way. According to our research, creators use English the most often in order to express themselves more concisely (see Table 4, column 1). Our research demonstrates that the usage of English by Romanian creators reflects the need to be immediately understood. Creators rely on simpler and shorter English words or expressions instead of the longer Romanian equivalents. For example, there are the following instances: when "side by side" used instead of the "unul lângă

---

[8] This analysis provides examples for each category exemplified in Table 4, the translation for each English phrase or word has been provided by the author of this paper.

altul" or "stuff like that" is used instead of "lucruri de genul acesta/ăsta" or "crippling fear" is used instead of "frică paralizantă" and "first of all" is used instead of "în primul rând." Sometimes, certain English words are not used because they are necessarily a lot shorter but instead, they are used in order to express oneself less formally. More often than not, the words are used because the Romanian equivalent is either too formal or less common. For example, there is the word "overweight" that is used instead of "supraponderal." The Romanian translation sounds formal bordering on medical terminology thus it is not appropriate for the informal context of the digital space. Of course, the creator could have used "gras" which translates to "fat" but just like the English term, the Romanian one could also be problematic and offensive. Consequently, the creator chooses the easiest more informal sounding "overweight." Another example of this situation would be "it's fine" used instead of "(e) în regulă". The Romanian equivalent is more formal sounding. In a conversation between young people, it would probably not be used. Instead, generation Z members would probably opt for "it's okay" or "e ok" in Romanian. However, in the context of our research, "it is fine" would more accurately be translated to "e în regulă." On the same note, "love life" used instead of the Romanian "viață amoroasă" or "fun" used instead of "distracție" is not a choice dictated by formality issues. "Love life" is most likely used because it is a very common English expression, often circulated online whereas "viață amoroasă" is not so common bordering on archaic at least for the younger generation. "Fun" used instead of "distracție" is most certainly used to express oneself more rapidly, but also because "fun" is a very common English word.

In the second category dedicated to trends and technology, there are examples that do not have exact equivalents in Romanian. Or even if there are Romanian equivalents, creators have chosen to use the English version as it sounds more natural in the context of the actual digital technologies. For example, the word "scroll" which refers to the process of navigating social media tools, webpages, browsers etc. It is more natural for a generation Z internet user to use this word in a conversation instead of the Romanian word "a derula." In the case of other functionalities that available on social media, for example the option to post a "story" nearly all generation Z members will use the word "story" instead of the Romanian "poveste." One of the reasons may be because some users might have the language of their phone set to English. Other reason may be because the word "story" was the original name of the described social media function and as it got popular among teenagers and young adults the English terminology remained in their vocabulary. Precisely the same situation applies to the word "like" which designates the number of people that enjoyed a post or story. Most people from Generation Z or even older generation will use the word "like" instead of "aprecieri." Moreover, the word has been intuitively adapted to Romanian by adding the plural suffix "-uri." Similarly to the functionalities explored before, there is the word "swipe" often used in the context of "swipe for more." The word "swipe" could be translated to a more uncommon

Romanian word "a glisa". Usually, it designates an internet function available on many apps. For example, on certain dating apps you can swipe either right or left in order to like or dislike a user's profile. Moreover, creators use "swipe for more" when they link a new video, a website or a certain product on their story. Users can watch their story and swipe downwards in order to gain more information about the product or just buy it directly. Additionally, the word "outfit" used instead of "ținută" which has started to be used in online discourse because of numerous fashion trends popularized online. Romanian creators are more likely to use "outfit" instead of the Romanian word because of trends such as presenting one's "outfit of the day (abbreviated to OOTD)" or doing "outfit checks" etc. Sometimes it can also be shortened to the word "fit." Another internet trends in the selected data for our paper that does not have a direct translation to Romanian is "rage bait" which refers to content created in order to "elicit outrage with the goal of increasing internet traffic, online engagement, revenue and support" (Wikipedia, 2024)

For the third category which refers to humour, the data selected comprises common English slang used by the younger generation in order to entertain their audiences. For example, when generation Z refers to delusion or being disillusioned in a certain situation, they often use a more humoristic way of expressing it through the slang word "delulu." There even was a humoristic way of expressing "May your delusions come true" through "May your delulu come trululu." This could be explained by "may your dreams come true" but such dreams could be so wild that they border on delusion. Similarly, the word "Slay" is a term that originally meant "that joke was killer" but now it suggests that something is impressive or even beautiful. It is often used in regards to outfits and fashion, it is not a coincidence that it used to derive from 1970s LGBT ball culture. Additionally, "tea" or "what is the tea" or "spilling the tea" is synonymous with what is the truth or what is the gossip and it has its origins in African-American drag culture. "Main character vibes" is a term that is usually used to describe a person that wishes to be the centre of attention. It can have a more negative connotation when it is used in the phrase of "main character syndrome" which refers to an entitled and selfish person. Moreover, the word "based" is used to describe someone that is themselves and does not care for other's opinions, but now the word is "used to indicate an opinion or something that someone agrees with. It is especially common in political slang and discussions and may be used for controversial topics." (Wikipedia, 2024). It is a direct antonym to "cringe" which is used to describe someone that is uncool, embarrassing or awkward. Similar to "cringe", the word "basic" is "used to denote those who prefer mainstream products, trends, and music" (Wikipedia, 2024) "Basic" can also refer to fashion trends and style in general. These are just some of the most commonly used slang words used by the generation Z.

3. Cultural exemplifications

Furthermore, this paper will explore how the internet has shaped Romanian literary culture by exploring a few notable examples of contemporary Romanian literature. Not only did English shape our spoken discourse but it also shaped our culture in general. A perfect example for this cultural shift within the Romanian cultural space can be seen in today's literature. The contemporary Romanian literature scene is dominated by English and digital culture. Two notable examples have been selected in order to illustrate how deeply ingrained English and technology is in our culture. Our first most notable example would be a poem by Andrei Dósa which perfectly encapsulates how the internet has permeated into our closest relationships:

> "google is my father
> from him I've learned how
> to do a tie-knot
>
> I turned to him
> several times in one day
> than I've turned to my father in my entire life
>
> me and my dad
> drifting through cyberspace
> we sometimes send each other emails (...)
>
> to: dad
> subject: [No subject]
>
> I read somewhere on the internet that this year
> four exabytes of unique information
> will be generated
> we will be more connected than ever."
> (extract from poem entitled *Online,* Dósa, Andrei, vol. "Când va
> veni ceea ce este desăvârșit", Tracus Arte, 2011.)

One important takeaway of this poem is the impact of the internet on relationships, here the focus being the relationship between a son and a father. The search engine *google* stands as a metaphor for this estranged relationship. The first verse "google is my father" is a shocking and radical demonstration of loneliness in the digital age, where important relationships are replaced by the internet. Not having the possibility to learn how to do a tie-knot from a parent and instead relying on the internet further emphasizes this idea. On the one hand, it can also suggest the

conveniency of the internet and on the other hand, the estrangement caused by technology. The verse "I turned to him several times in one day than I've turned to my father in my entire life" also emphasizes the convenience that the internet provides. Moreover, the idea of only exchanging emails instead of a phone call or a real-life visit further suggests that the relationship between the two cold. Only exchanging email also implies that the relationship requires little effort to maintain. Although it is a lot easier to contact someone nowadays, these rapid connections are actually superficial and cannot replace a deep human relationship. On the same note, sending an email with "[No subject]" can also convey this idea of a void or an absence of meaningful communication. The verse "four exabytes of unique information" that are being generated suggests the meaningless and infinite data generated by the internet. Similarly, "We will be more connected than ever," has two possible interpretations. It suggests that people may feel more connected thanks to social media. On the other hand, it can also suggest that information overload could estrange us from each other and hinder us from forming a connection. The underlying irony of modern life is that genuine emotional connection might still be out of reach in spite of enhanced contact.

Another notable example is Elena Boldor's volume *Traxx* which is dominated by internet references. Elena Boldor is a young poet, part of generation Z. She is artistically influenced by the internet and her poetry volume is the proof of this truth. The poetry of *Traxx* heavily relies on the visual component, the volume has pictures of messenger chats, tweets, gifs and search bars. In her title poem, Boldor boldly declares "I feel closer to the people on the internet than the ones in real life."

> "every day comes with a new revolution, I want to embrace each
> person like an open flower.
> we're all eating from the same orange I feel
> closer to people on the internet than in real life, I can't wait for the
> next birth of the universe!! please tell my mom to
> to let me use the computer. My friends send me funny messages and
> I reply with emoji's.
> (…) I feel
> my most beautiful when the screen lights up my face.
> (…)
> <HTML>
> (…)
> </HEAD>
> <BODY>
> I WAS BORN ON THE INTERNET I WILL DIE THE SAME
> WAY" (*Traxx,* Boldor, Elena, vol. "Traxx", Oh My God Publishing,
> 2021)

Traxx explores the complexities and contradictions of contemporary existence. Thematically, the poem touches upon connection, alienation, and the search for authenticity in the digital age. The first verse, "every day comes with a new revolution, I want to embrace each person like an open flower," expresses the feeling of yearning for genuine human connection. Moreover, it could also allude to the need for open communication. "We're all eating from the same orange" evokes the sense of shared experience and commonality provided by social media platforms. Feeling "closer to people on the internet than in real life," further suggests that digital relationships can occasionally seem easier to form and maintain than real life ones. Additionally, the cries to "please tell my mom to let me use the computer" signify a generational shift in the ways that relationships are established and sustained. Nowadays, relationships are reliant on technology and more often than not maintained through technology as opposed to the past. The verse "My friends send me funny messages and I reply with emoji's" conveys the expressive communication styles that use the visual instead of the written form. By using gifs, pictures or emojis instead of text, communication is more superficial. The verse "I feel most beautiful when the screen lights up my face" is ironic as it challenges old beauty standards. In the past women were not engulfed by the phone's blue light and felt beautiful in a natural way, away from technology. The verse challenges the idea of natural beauty suggesting that in the digital age, one must feel beautiful only through the means of technological advancement and social media. Overall, the poem captures the spirit of living in the digital age, where relationships, experiences, and self-perception are significantly impacted by the social media. It is a nuanced analysis of how technology affects modern life illustrating the tension between connection and disconnection, between intimacy and loneliness. Moreover, Boldor challenges readers to reflect on their own digital lives and urges us to remain authentic.

Conclusion

The internet and digital culture have profoundly changed communication, giving life to a new language that reflects the technical developments of today's world. Since generation Z is exposed to technology from such an early age, they represent the key to unveiling the language evolution. As we have demonstrated, slang is greatly influenced by social media and technology, which speeds up the assimilation of new terms into common speech. Beyond ordinary speech, Romanian literature and culture have been greatly influenced by English and internet culture. A new wave of literature that addresses contemporary challenges and creatively narrates stories that are closely intertwined with the digital has begun to shape in the current cultural landscape. This change in culture highlights the intricate relationship between global digital trends. The younger generations, like the Millennials or Generation Z, heavily utilize online slang and English in written communication on

social media platforms as well as in spoken language and this paper exposes this truth. The Romanian Generation Z uses English for one of the following reasons but is not restricted to technology, internet culture, entertainment, and to express themselves more concisely. Generation Z creators have a unique and creative way of expressing themselves by heavily relying on internet trends in order to generate entertainment and engagement with their audiences. Their discourse is unfiltered and honest and relies on the internet and English in order to rapidly get a message delivered. Although their superficiality is often criticized by their older generations, generation Z members and creators are more involved in social issues as the themes explored in the videos, we have witnessed are often political and sociological. Internet and digital culture have created numerous new terminologies because language is a living organism that constantly develops and grows. Through the means of its most digitalized generation, Romanian language has evolved drastically. The speech of the younger generation is a testimony of this significant shift in our lives. Unquestionably, English is the "Lingua franca" of our days, influencing our lives in ways never seen before. It interfered not just with our professional lives, movies, and educational systems, but also with language and policymaking. Speaking and understanding English has become essential for getting around in today's world. Thus, the purpose of this paper is to demonstrate this truth about Romanian culture. As demonstrated, gen Zers speak English and use the internet every day of their lives, their speech is full of English expressions and phrases. The purpose of this research paper was to unveil the radical language and cultural change we are witnessing thanks to the internet and to recent technological advancements.

References

Algeo, J. (1980). Where do all the new words come from? *American Speech, 55*(4). Duke University Press.

Boldor, E. (2021). *Traxx*. Oh My God Publishing.

Bowler, A. (2020). *Isolation among Generation Z in the United States*. Ballard Brief. https://www.ballardbrief.org

Cambridge Online Dictionary. (n.d.). Snowflake generation. In *Cambridge English Dictionary*. https://dictionary.cambridge.org/dictionary/english/snowflake-generation

Coombs, B. (2020, January 23). Loneliness is on the rise, and younger workers and social media users feel it most, Cigna survey finds. *CNBC*. https://www.cnbc.com/2020/01/23/loneliness-is-rising-younger-workers-and-social-media-users-feel-it-most.html

Dolot, A. (2018). The characteristics of Generation Z. *E-mentor*, *2*(74), 44-50. https://www.doi.org/10.15219/em74.1351

Dósa, A. (2021). *Când va veni ceea ce este desăvârşit*. Tracus Arte.

Francis, T., & Hoefel, F. (2018). "True Gen": Generation Z and its implications for companies. *McKinsey & Company*.

Istrate, S. (2024, May 15). *Cum să fii un personaj principal în România* [Video]. YouTube. Faiăr Silviu. https://www.youtube.com/watch?v=CkUX7TnOIOQ

Mantiri, O. (2010). Factors affecting language change. *SSRN Electronic Journal*. https://ssrn.com/abstract=2566128

McKinsey & Company. (2023). What is Gen Z? https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-gen-z

Nicholson, R. (2016). 'Poor little snowflake' – The defining insult of 2016. *The Guardian*.

Rubin, G. (2024). *Gen Z Risk Perceptions: Crisis, Risk and Hope*. University of Montclair. https://www.montclair.edu/newscenter/wp-content/uploads/sites/15/2023/12/SRA-Gen-Z-1223.pdf

Ruxandra "Really Rux." (2024, January 21). *Cum să îţi hackuieşti foştii* [Video]. YouTube. Really Rux. https://www.youtube.com/watch?v=wt17FLbD4MY

Ruxandra "Really Rux." (2024, May 2). *Secretele corporatiştilor: Ce fac la birou?* [Video]. YouTube. Really Rux. https://www.youtube.com/watch?v=P_NjQPOXVSQ&t=1139s

Ruxandra "Really Rux." (2024, May 7). *Ce fac gen Z la job-uri* [Video]. YouTube. Really Rux. https://www.youtube.com/watch?v=wt17FLbD4MY

Salomone, R. (2022). *The rise of English: Global politics and the power of language*. Oxford University Press.

The Cigna Group. (2021). Survey conducted by the Morning Consult with 2,496 U.S. adults from December 13-19. https://newsroom.thecignagroup.com/loneliness-epidemic-persists-post-pandemic-look

Wikipedia. (2024, May 21). List of Generation Z slang. https://www.wikipedia.ro

Mapping the role of civil society across the western Balkans

 Jubjana Vila ✉**, Ingrit Melani**
EPOKA University, Tirana, Albania

Abstract: The six Western Balkan countries are experiencing simultaneous democratization and EU integration processes. The EU has been leveraging the possibility of EU membership and EU conditionality for the implementation of a range of policies and promotion of democratic reforms. In the context of EU conditionality, along the other issues there is an emphasis on the 'week civil society' across the Western Balkan countries. This study examines the situation of Civil Society Organizations (CSOs) as agents of change in region. Through a comparative approach, it aims to map the role of civil society across the WB countries to understand the main issues and challenges in state-civil society relationship for WB countries in promoting democratic governance, reconciliation, and EU accession.

Keywords: civil society, civil society organizations, western Balkans, EU integration

Introduction

The six Western Balkan countries are experiencing democratization and EU integration processes. Albania, North Macedonia, Montenegro, Serbia and Bosnia and Herzegovina (BiH) acquired the EU candidate status and Kosovo remains a potential candidate country. The perception of stagnating democratization in the region persists despite the reformation and transformation efforts. Acquiring EU membership comprises an important objective of post-socialist governments' foreign policies and EU used membership as a foreign policy instrument (Mihajlovic & Engeli, 2019; Perkovic, 2014). The EU has been leveraging the possibility of EU membership and EU conditionality for the implementation of a range of policies and promotion of democratic reforms. While the EU membership prospective has had a role on democratization in the Western Balkans, the political elites' seeming conformity with EU regulations, and some legacies left by the communist past has made reform implementation in some areas of policy shallow (Perkovic, 2014). The main obstacles to transformation include the lack of democratic culture, the

---

✉ Lecturer at the Department of Political Science and International Relations/Director of Center for European Studies at EPOKA University, Tirana, Albania; e-mail: jvila@epoka.edu.al.

complexity of the democratic process, inadequate institutions, and a weak civil society (Perkovic, 2014).

Within the EU integration framework, civil society actors are considered as agents that can encourage domestic change by supporting and promoting EU driven reforms. According to Kostovicova (2013), democratization, Europeanization and reconciliation processes in the Western Balkans require strengthening "weak civil society' as emphasized in the Stabilization and Association Process (SAP). Egan, Nugent and Paterson (2018) define civil society as local watchdogs of reform adoption and implementation and claim that high expectations on them have been associated with an increase in EU political and financial support to civil society in EU candidate countries. Also, they operate as intermediaries between political actors negotiating accession and the public by spreading information and rising awareness across the society on EU membership benefits and obligations. Considering the conflictual past of the region, civil society actors in the WB countries have been strong advocates of reconciliation (Kostovicova, 2013). This article, through a comparative approach, aims to map the role of civil society across the WB countries to understand the main challenges in state-civil society relationship for WB countries within the framework of the EU integration process.

1. Civil society and EU integration process

Traces to the roots of the notion of "civil society" go back to Tocqueville and Rousseau (Diamond, 1994) as "the people" were understood to be a force of collective good, with the ability to create and develop democratic will, against elites. Originating in early modern West European thinking, the idea of civil society was reformulated during the 1980s in Eastern Europe and Latin America and has since spread around the world (Glasius et al., 2004). Hence, democratic change can often be credited to mass mobilization, examples of South Korea, Chile or Poland proving this point. Importantly, the state-civil society relationship is not always a zero-sum game, and other factors might contribute to the ups and lows of such relationship (Diamond, 1994).

Altmann (2015) refers civil society as the segment that expresses its problems, interests, and views outside of the political system and party structure. Diamond (1994, p. 221) defines civil society as "the realm of organised social life that is open, voluntary, self-generating, at least partially self-supporting, autonomous from the state and bound by a legal order or set of shared rules". Such society is different from the generalized version of society, as citizens behave collaboratively in a public setting to convey their passions, interests, and ideas, share data, accomplish shared objectives, place demands on the state, and make state representatives answerable. Chambers and Kopstein (2006, p.364) state that civil society can be understood in six relations: "civil society apart from the state, against the state, in support of the state, in dialogue of the state, in partnership with the state, and beyond the state",

while highlighting that the six relationships are not mutually exclusive. On the other side, Glasius et al. (2004) highlights that civil society can be interpreted in two realms: the one with political ground, and the one with a depoliticized ground, where one can include non-governmental and non-profit organizations.

Substantially, civil society against the state underlines that civil society is an agent that can oppose state institutions, however, sociologically and judicially, such opposition did not exist, or existed in small fraction, under totalitarian regimes with a depoliticized citizenry (Chamber & Kopstein, 2006). In 1989, a form of these groups in Poland, Hungary and East Germany gained ground and started negotiations that would soon help in the collapse of communist regimes. Hence, the organization of civil society has been particularly important for political movements in the third wave of democracy (Diamond, 1994), being considered a stimulus for democratization, be it through negotiations or not.

Civil Society Organizations (CSOs) are established by individuals or non-governmental groups and institutions with the aim of addressing short-term or long-term issues that are not adequately addressed by the governmental institutions. They include labor unions, employers' associations, human rights organizations, and other social groupings (We Balkans, n.d.). The dialogue between CSOs and the state is indeed a critical one: the state is ought to answer and justify its actions when faced with civil society, making the latter central to the public sphere (Habermas, n.d., as cited in Chamber & Kopstein, 2006). Civil society offers a possibility for groups of the society, marginalized or not, to bring their concerns and needs to the agenda of policymakers, further strengthening the relationship among state institutions and non-state actors. A resilient civil society contributes to democratic processes through citizen mobilization, advocacy for policy reforms, ensuring government accountability, promoting social bonding, and contributing to peace building (Rodrigues, 2015). It is important to note, nonetheless, the implicit belief that the social and political spheres are inextricably linked supports the views of many neoliberal policy advocates, who see their interventions as more social than political—that is, as interventions that uphold the social institutions of a particular nation (Seckinelgin, 2002 as cited in Glasius et al., 2004). Additionally, there is a worldwide political framework that is affecting national political debates.

CSOs act as a crucial tenet of democracy, bridging the division between citizens and state, encouraging citizen engagement and offering different approaches and perspectives. The political system comprises a determining factor regarding the inclusion of non-state actors. They are more welcomed in democratic systems where there is the ability to vote for a variety of political parties and to influence party programs (Altmann, 2015). In authoritarian systems, the will of the leader or a group dominates and there is no space for discussion or debate that can jeopardize their interests. As previously mentioned, (Diamond, 2004; Chamber & Kopstein, 2006), while civil society has been attributed to facilitate the overthrow of communism, particularly in Eastern Europe, scholars have also questioned its real revolutionary

power. Today, in these post-communist states, civil society is characterized by organizational weaknesses and a lack of trust (Chamber & Kopstein, 2006).

Regarding the scope and significance of a civil society, a society's heterogeneity—that is, its diversity in terms of racial and religious backgrounds, regional customs, and, above all, economic and ecological interests, divisions, and concerns—becomes even more significant. Essentially, interpretations of CSOs' scope are also dependable on cultural implications and the political configurations of the state they get developed – the more democratic, the easier it is for CSOs to rise (Glasius et al., 2004). This explains why a wide range of civil society actors like charity, religious, cultural, business, environmental organizations and many others can be found in today's heterogeneous democracies (Altmann, 2015). The civil society organizations work to promote sane and democratic social interaction either in conjunction with or independently from the state. Also, they function as both partners of the government, but also as watchdogs of their activity to hold them accountable (We Balkans, n.d). As advocates and service providers, CSOs assist in bringing citizens' problems to government attention, addressing difficulties in society, and increasing awareness of their rights (Altmann, 2015; We Balkans, n.d). A state constantly requires maintenance, upgrades, and repairs in addition to adaptations to shifting different circumstances. Civil society has a vital role to play in the state, by fixing the shortcomings and gaps that politics either causes or ignores (Altmann, 2015). These could be systemic and immediately apparent, such as "lack of transparency, inefficient bureaucracy, insufficient freedom of expression and restrictions to media freedoms, or obvious deficiencies in priority-setting with regard to developing a socially harmonious and prospering society" (Altmann, 2015, para. 2). Usually, CSOs are analysed based on several factors, two of them being legal frameworks to participate in decision making and organizational capacity.

The EU enlargement process expands the range of opportunities for domestic actors, including CSOs, to update their mobilization strategies that would lead to more empowerment (Egan et al., 2018). The approach of the European Commission towards civil society as transformative actors is emphasized under the Instrument for Pre-Accession Assistance (IPA) in 2007 (Kostovicova, 2013). "The Civil Society Facility (CSF), which was established in 2008 under the IPA, further streamlined funding for the development of civil society by concentrating on three key areas: capacity building, direct engagement of civil society with EU institutions through "People 2 People" programmes, and creation of civil society networks" (Kostovicova, 2013, p. 103). Informal networks and non-hierarchical institutional learning are two more ways that external governance shows itself (Scott & Liikanen, 2010). The evolving domestic agendas of CSOs show a gradual assimilation of EU norms and an integration of social aims established by CSOs located in the EU. "European" civil society goals and ideals are transferred through pragmatic techniques that depoliticize cross-border cooperation between civil society actors and contextual adaption processes. Issues like social welfare, environmental

awareness, transparent governance, gender equality, and minority rights are presented and interpreted locally through such unofficial means (Scott & Liikanen, 2010). Civil society organizations offer plenty of opportunities for strengthening the EU's influence and advancing its soft power agenda for regional cooperation. The fact that CSOs represent segments of the population that look for different ways to participate in social and political activities that promote democratic change is one explanation for this. CSO's are constantly at the vanguard when it comes to advocating for policies that are left out by governments' plans, by bringing the spotlight towards this ignored issues, and emphasizing the need for immediate attention and action. They can promote innovative policy forms or methods by offering fresh ideas and views, which in may in turn contribute towards more holistic and diverse policy-making. They can often serve as "laboratories for new ideas" as mentioned previously above, because they also have the capacities and freedoms to explore with new approaches to political and social concerns, without the restraints that frequently limit the activity of governmental institutions and organizations (Edwards, 2009).

Civil Society Organizations (CSOs) have an important role in fostering cross-border collaboration and interactions, that are crucial factors for regional stability and integration in the European Union (EU) This duty of CSOs is especially important given the EU's complicated multinational structure and continued expansion of operations. CSOs frequently establish transnational networks that facilitate the exchange of ideas, best practices, and cultural awareness across national boundaries (Polleta, 1999).

The growing activism of CSOs in the Western Balkans is undermined by governmental systems that serve the interests of certain groups rather than the common people's aspirations (Altmann, 2015; Mihajlovic & Engeli, 2019). Numerous pieces of evidence indicate that official politics in the Western Balkans continue to downplay and even negatively perceive the role of civil society (Altmann, 2015; Mihajlovic & Engeli, 2019). This impression undermines CSOs' opportunity to successfully participate in policymaking and democratic governance. CSOs work in difficult political environments in certain candidate nations, where the government may impose restrictions on their operations or consider them with disdain (Salamoon & Sokolowski, 2016). Another issue is that many citizens in the respective candidate countries are unaware of CSOs' roles and responsibilities. Inadequate public interaction or education regarding the work that CSOs undertake, how they contribute to society as a whole and how they differ from for-profit organizations or governmental groups may be the cause of this lack of understanding. People might be less inclined to support or participate in the activities of CSOs given that they are not aware of their beneficial effects. CSOs can face unfavourable preconceptions that portray them as politically or self-driven groups, rather than real community activists. These perceptions can be reinforced by political discourse, depictions in the media, or disinformation propaganda and efforts that paint CSOs

as foreign agents or groups that harm national interests (Salamon & Sokolowski, 2016). Such impressions might contribute to mistrust and skepticism among the public and hamper collaboration between CSOs and the general population. This in turn may reduce their efficacy and capacity to shape policies. (Salamon & Sokolowski, 2016).

Despite the help CSOs can give in strengthening democratic principles and continuing EU integration, they are not able to meet expectations. The civil society organization sector lacks cohesive alliances, its funding sources are unstable, and its donors frequently reassess their priorities (Petric, 2019, as cited in Mihajlovic & Engeli, 2019). There is a necessity for the financing resources to be diversified. As it is shown that organizations may become more susceptible to changes in political agendas or financial circumstances if they depend too heavily on a single source of funding, be it government grants, individual gifts, or foreign assistance. This is especially pertinent to CSOs operating in the Western Balkans in light of the erratic financing sources. (Salamon & Toepler, 2015).

There is a vast amount of power in the hands of political parties, they make decisions, and public institutions just confirm them formally, therefore making parties and public institutions undistinguishable from one another (Perkovic, 2014). Even while civil society has had the opportunity to advocate and suggest policies to the government during discussions for EU membership, especially on human rights issues—which make up a significant portion of Chapter 23 in the EU Acquis—there is not enough consideration of their contribution. The amount of power concentrated in the hands of political parties to a degree that it has overwhelming influence in the decision-making processes is referred to as "state capture". This phenomenon is more than just party domination; it includes an intricate and extensive network of ties or connections between political parties, business elites, and government institutions. Thus, consequentially making this environment difficult for CSOs to operate and influence policy making processes, as they frequently do not have the informal connections as well as resources to compete with the already entrenched interest of the former (Bieber, 2020).

The approach that EU has used to enhance the role of CSOs in the region has also been met with backlash. CSOs are challenged in many dimensions while contributing to the adjustment of social, political and economic progresses. "Civil society organizations in the region can make reconciliation difficult to achieve due to their weak capacity, ethnic fragmentation, lack of financial autonomy, and the impact of an illiberal political environment on them" (Mastrorocco, 2020 as mentioned in Buciqi 2024, p.19). The lack of media freedom also influences the process, as it stagnates investigative journalism. Funding for development appears to be an issue, as it is usually transmitted through public institutions and international agencies (Perkovic, 2014). Lastly, such issues result in limited space and capture of the CSOs by the political elite. This article offers a comparison of the state of the CSOs in the Western Balkans to map their role within the framework of the EU

integration process. Further comparison can reveal deficiencies in EU's approach, as well as states' exposure and inclusion of CSOs. Beside an overview of the state of CSO in each country of the region, it highlights the main issues and challenges they are facing.

2. CSOs in the Western Balkans

Serbia currently has opened 22 out of 35 chapters of the acquis and has provisionally closed only 2. The anti-war movements of the 1990s gave rise to Serbian CSOs. While civil society did not have the possibility to exist in the Socialist Republic of Yugoslavia, scattered gatherings that discussed societal gatherings did exist, with a highly conditional freedom (Spasic, 2003). However, the Yugoslav state managed to merge the borders between the "state" and "society", consequently impeding the development of self-governing groups. Civil society emerged in the 1990s in the face of conflicting circumstances. Genuine NGOs were able to arise as a result of the political pluralization that followed 1989, but the Milosevic regime remained antagonistic. The hostility showed up as media slander, police raids, detentions, and legal repression. The election fraud-related winter protests of 1996–1997 marked a pivotal moment in history as they resulted in the recognition of democratic local governments (Spasic, 2003). The demonstrations sparked a renewed interest in civic engagement, particularly in cities, and between 1997 and 2000, the non-profit sector grew significantly, became more professional, and even assumed functions that were traditionally handled by the government. The CSOs in Serbia offer an encouraging example of the growth in capacity and capability of local CSOs, collaborating in creating new formats to enable lines of communications with the government (Egan et al., 2018). Nevertheless, CSOs are vulnerable and face many challenges in Serbia. The unstable political environment and emerging authoritarian tendencies have raised concerns for the security of civil society sector (Juzova, Burazer & Roginer, 2022). EU and USAID comprise the most important financial supporters for CSOs in Serbia, followed by domestic sponsors. As such, financial independence remains a challenge for Serbian CSOs (Mastrorocco, 2020).

Montenegro has currently opened 33 out of 35 chapters and has closed 3 provisionally. Montenegro supports, promotes and encourages the contribution of CSOs (European Commission, 2022). Considering the size of the nation, Montenegro's civil society is relatively well-developed, in part because of the originally abundant support from foreign donors (Egan et al, 2018). Organisations work in the areas of human rights, governmental administration, and anti-corruption initiatives. Experienced activists have established most of the CSOs in Montenegro in early 2000s. The EU financial support, access to domestic actors, and their inclusion in EU negotiation working groups showed promising future for CSOs (Egan et al., 2018). Also, the Law of Public Administration highlights the CSOs involvement in EU negotiation structures as a sign of state's will for citizens

engagement (European Commission, 2022). The EU has positively evaluated the involvement of CSOs and their representatives in the accession negotiation process (Egan et al., 2022).

North Macedonia is a candidate country, currently going through the screening process. Before the dissolution of the Yugoslav state, civil society was viewed as a parallel realm that represented citizens' autonomy in contrast to the government, therefore opposing the force of the state (Kacarska, 2008 as cited in Sharlamanov & Petreska, 2020). Building a civil society in North Macedonia during the transition period was subordinate to the process of creating a nation-state, which was obtaining independence at the time and needed to address the difficulties it presented (Sharlamanov & Petreska, 2020). Thus, research conducted during the early years of North Macedonia's independence leads to the conclusion that democracy, particularly in the civil society, has not been cemented because of the unresolved state question in the nation. Nonetheless, the development of civil society was seen as a necessary component of democratization in the early 1990s. Following the emergence of environmental groups, humanitarian and social-issue organisations formed in reaction to the economic and refugee crises. Human rights activism began to gain ground during the mid-1990s, especially during the Kosovo crisis. In 2010, a study revealed that they had been involved in several local and international networks and felt they had a substantial influence on public policies (Sharlamanov & Petreska, 2020). Over time, these organisations started networking and exchanging information. CSOs in North Macedonia have been working in an environment enabling their participation in decision making (European Commission, 2022). CSOs have so far been consulted regarding national plans for the adoption of the acquis (Nikolovski, 2020). It has been discussed in the North Macedonian government that Montenegro shall be taken as an example when it comes to the acceptance and involvement of civil society in the negotiations process, when the chapters are opened (Nikolovski, 2020). However, there is still a lack of clear conception on how the procedure will work, and who will count as a CSO.

Like North Macedonia, Albania is currently waiting for its screening process and in the first steps of the accession negotiations. There has been a limited improvement in the civil society sector. The cooperation among CSOs and the government is not institutionalized, marking a lack of participation of CSOs in the decision-making processes (European Commission, 2022). Also, the environment on which CSOs operate is not adequate for CSOs to be created, they are completely based on external financial support, which makes their resources be limited in to interact and communication with the public (Bino et al., 2021).

Bosnia and Herzegovina (BiH) became officially candidate country in December 2022. During the pre-conflict era in 1992, there was the existence of a civil society, however its activity was very limited due to it being heavily influenced by the political apparatus of the Yugoslav state. During the war period of 1992-1995, the social structures crumbled, in this period various community organizations

formed throughout the crisis, with an emphasis on providing humanitarian assistance and peacebuilding activities. The post-war period was followed by contributions made by international organizations and other NGOs in restructuring and establishing a civil society in the country, many actions were undertaken to develop the democratic institutions of the country as well as increasing the civil participation in their community (Milan, 2017). The early 2000s and 2010 period saw an increase of NGOs, with issues focused on many issues, such as human rights, women rights and issues concerning the development of the overall community. And in this period, there was a significant increase of civic engagement. CSO were started to gain attention from the general public and were more influential in the political processes. There was a consistent increase of this groups advocating for transparency as well as promoting accountability and democratic governance. However current political climate and the influence of political parties as well as fundings are still a problem that consists with these groups and makes it thus difficult for them to have an impact in the policies (Milan, 2017). CSOs in BiH hold a sheer number, but what is concerning is the inverse proportion they have with the quality and impact. This can be partly explained with the fact that the agenda of these CSOs, primarily created after the Dayton Agreement, has been set by international donors. CSOs in BiH are several steps behind regarding efficiency, results and involvement (European Commission, 2022). The adoption of a framework, both legal and financial is missing, while consultations have not been proven to occur yet. The pandemic hit the financial assistance of these CSOs extensively, as the recovery package did not include any assistance for them, showing negligence from the government (European Commission, 2022).

Formally submitting its application for membership in December 2022, Kosovo is now a potential candidate of the EU. Due to the regional unrest in the 1990s, Kosovar civil society arose and was closely related to the movement for national self-determination, offering alternatives to the state structure of Serbia. On the other hand, the Serbian minority in Kosovo continued to adhere to Belgrade's instructions, which encouraged the development of alternative sociocultural and institutional structures, the duality of which exists till today (Ferati-Sachsenmaier 2019, as cited in Mastrorocco, 2020; Strazzari & Selenica, 2013). On their own, CSOs in Kosovo try to enhance democracy and pluralism in the young country and contribute to the design of EU related reforms (European Commission, 2022), showing an overall welcoming of CSOs into the political sphere.

3. Challenges in State-CSO relations in Wester Balkans

Civil Society Organizations (CSOs) in Serbia have been striving to raise awareness and spread information on political issues despite political attacks and anti-campaigns on their activity (European Commission, 2022). In 2022, CSOs faced pressure on various issues including rule of law, environmental concerns, or

opposition to war criminals' glorification. In case of unregistered protests, the organizers were held responsible for attacks and lacked police protection (European Commission, 2022). The negligence has also been observed when parliament has adopted laws without involving opposition even though CSOs have continued their response (Juzova et al., 2022). A general observation is the absence of internal debate in Serbia, mainly due to the reluctance of political elites to engage in debates on sensitive issues including past's tensions and wars preventing public consciousness development (Mastrorocco, 2020). An example is Serbian government acknowledgement of the Srebrenica massacre without an internal debate. More improvement and implementation are needed regarding state- CSO relations (European Commission, 2022). Additionally, despite the establishment of e-consultation platform, effective consultation is not ensured yet. Serbia's CSO sustainability score is medium with 4.3, in a scale from 1 to 7 (USAID, 2023).

In Montenegro, the relationship between the state and civil society is typically characterized as strained, and there is generally little political will (Egan et al., 2022). Trust in CSOs is 46.7%, which is higher than trust in the nation's major institutions. (Drakić, I., & Kajganović, 2012). Additionally, attacks have not stopped coming from media organizations and sources that publicly back the government. Consequently, one can say that having a prepared structure on the legal front, Montenegro still requires improvement in this regard. Additionally, the government is not as enthusiastic about the general developing of Montenegro's CSOs. According to the European Commission (2022), evaluation procedures used by CSOs are typically outdated, unimproved, and undeveloped. It is necessary to hold more meetings and appoint new members to the Council for Cooperation of State Bodies and Non-Governmental Organizations before it can start working effectively. In 2023, Montenegro receives a medium score of 4, out of 7, on the USAID CSO sustainability index.

The North Macedonian identity is contested, both internally and externally (Kartsonaki & Wolff, 2023). This polarization, which is also present in the political sphere, has caused for polarization even in CSOs. Often, they are perceived to be aligning with different identities, let it be Albanian or North Macedonian, often they become structures used by the main political parties. There is, however, a standard which presumes that political CSOs have more funding and mobilization when compared with social ones (Hadjievska, 2023). Lobbyism for women's rights, for example, are often ignored by the media (Kostovicova, 2013). The efforts done until now to include CSOs in the decision-making process still need improvement. An effective monitoring framework also needs to be put into place (European Commission, 2022). Financially wise, the sector is again heavily dependent on external donors. On the USAID CSO sustainability score, North Macedonia scores relatively low to medium, 3.7, in a scale from 1 to 7 (2023).

The legal and policy frameworks for facilitating cooperation between public institutions and civil society in Albania are largely in place, but there are still

problems, including a lack of mechanisms for providing feedback and monitoring compliance with the law. The relationship the government induces with CSOs is superficial at best, with very little real impact (Bino et al., 2021). The institutions and procedures for working with CSOs are typically poorly integrated, unsustainable and vaguely defined, showing negligence of the system to sustain them. Interestingly, CSOs and the government do find common grounds. According to Bino et al., (2021), the trustworthiness of CSOs in Albania has started to shrink as a result of their logic and professional working culture being very similar. This also reduces the transparency of said CSOs. Several of them study transparency and informality in the country, but little of them have worked to show that they themselves are transparent. Smear campaigns and negative images are also persisting regarding CSOs, which further delegitimize their power (Sadiku, 2010). Political polarization also negatively affects, further strengthening the already existing stigma. On the USAID CSO sustainability score, Albania scores relatively low to medium, 3.7, in a scale from 1 to 7 (2023).

The European Commission reports on Kosovo that in general, civil society organizations, including those that support civil, political, economic, social, and cultural rights, are allowed to freely exercise their rights to association, assembly, and critical expression, without pressure by the political actors (2022). Consultation efforts, both in local and central level have increased. What seems to be fundamentally missing is a strong legislative framework for the further operation of CSOs in Kosovo (European Commission, 2022). The implementation of the strategy of civil society has been met with limited work and risk assessment is missing. Moreover, Strazzari & Selenica (2013) point out how the vibrant work of CSOs in Kosovo, might only be so due to the lack of in-depth analysis by the international community. They claim how, CSOs in Kosovo, being created with the help of internationals and continue to operate in a post conflict society, are deemed as highly productive only to ensure that civil society is the right answer to further democratization (Strazzari & Selenica, 2013). However, what is important to note here is how the Kosovo identity plays into the field. Stakeholders and politicians have often used CSOs when they fit their political interests of further strengthening the idea of the Albanian identity prevailing in Kosovo and victimization (Ferati-Sachsenmaier, 2019, as cited in Mastrorocco, 2020). On the USAID CSO sustainability score, Kosovo scores relatively low to medium, 3.6, in a scale from 1 to 7 (2023).

In Bosnia and Herzegovina, there is a stagnation by both parties, the government and the CSOs to engage in effective consultations. The international actors have done little to integrate the CSOs into the government structure, but also the government itself has not institutionalized the participation of CSOs in the policy making process (Sarajlic & Marko, 2011). At the same time, political parties might instrumentalize CSOs and use them in their own interests (Sarajlic & Marko, 2011). It is important to note that the ethnic identity of citizens in BiH heavily shapes the

political and social sphere where it is situated. There is a lack of consensus of what a Bosnian is and misperceptions of the actual formations of the state (Kartsonaki & Wolff, 2023). The turmoil which comes as a consequence of the complex political structure adds to the confusion and lack of non-alignment of the CSOs (Sarajlic & Marko, 2011). Moreover, because of where an organization was registered, it is immediately associated with a specific ethnic group (Mastrorocco, 2020). As a result, the chances of including other ethnic groups are limited, as is the capacity of local civil society players to spark a wider discussion at the national level. Ethno-conservative movements are also not missing. Therefore, CSOs in BiH have almost very limited ground and intervention in the state to work on. On the USAID CSO sustainability score, BiH scores relatively low to medium, 3.8, in a scale from 1 to 7 (2023).

The analysis reveals that Civil Society Organizations (CSOs) in the Western Balkans face varying experiences due to political environments, government support, legal frameworks, and public perceptions. They have common challenges such as political pressure, limited government support, and operational difficulties, as well as unique challenges and opportunities, influenced by political environments, legal frameworks, and societal factors. Serbia and Bosnia and Herzegovina face significant challenges related to political pressure and complexity, while Montenegro and North Macedonia struggle with government support and donor dependency. Albania has legal frameworks but lacks effective implementation, and Kosovo enjoys operational freedom but needs stronger legislative support.

Each country's unique context shapes the effectiveness and sustainability of its civil society sector. In Serbia, CSOs face significant political pressure and safety issues due to the government's restrictive stance and attacks. Kosovo offers more freedom in this regard, providing a relatively open environment for CSOs without substantial political interference but lacks a vigorous legislative framework, limiting their potential for growth and effectiveness in the long term. In Montenegro, despite high public trust in CSOs, the government shows little enthusiasm for their development. This mismatch between public perception and government action results in a challenging environment for CSOs. North Macedonia faces similar issues and its dependency on external donors not only affects the sustainability of CSOs but also makes them vulnerable to external influences, complicating their ability to engage effectively with the government. Albania has a more structured legal framework but struggles with implementation and real impact due to inadequate feedback mechanisms and compliance monitoring. Kosovo has operational freedom but lacks a comprehensive legislative framework, creating uncertainty and limiting the sector's development. Both, Montenegro and Kosovo, have room for improvement in consultation mechanisms, though Kosovo has seen some positive developments. Bosnia and Herzegovina's CSO landscape is complicated by ethnic and political factors, impacting their effectiveness.

The study shows the lack of appropriate space for CSOs across all the Western Balkan countries. A lack of involvement in the policy process, lack of funding, alongside smear campaigns are issues pertaining in the region. Comparably, Montenegro exhibits greater development and success in the field of CSOs, which may be partly attributed to the EU's substantial assistance as well as their willingness to accept it. However, Montenegro, have also been held accountable for only adjusting to EU conditionality in order to gain entry, rather than having a greater desire for democratic goals. As a result, their political will to further involve CSOs is lacking. Despite Serbia's continuous attacks and hostile environment towards CSOs, their legal framework is in place. Compared to the European Commission report, the USAID scores mark Serbia even higher than Montenegro. North Macedonia also shows efforts in trying to include CSOs in the decision-making process, but its contested identity inside of the state makes it difficult for overall stability. This issue also pertains in BiH, where the turmoil is yet very impactful. Lastly, Kosovo shows enthusiasm for CSOs, however legally it is behind, as well as identity-wise, the polarization of CSOs exists. Albania on the other side, shows efforts but not adequate willingness and progress. So far, all countries need extensive work into strengthening their CSOs, states need to be more adaptable to them, and EU shall strengthen its monitoring bodies. In summary, the effectiveness and sustainability of CSOs in these countries are shaped by a combination of political constraints, government support, legal implementation, and public perception. Each country's unique context influences how these factors interplay to affect the operational freedom and impact of CSOs. Overall, while each country's unique context presents distinct challenges and opportunities for CSOs, common themes include the need for improved government engagement, better legal frameworks, and effective consultation processes.

Conclusions

This study offers a comparative mapping of the situation and role of Civil Society Organizations (CSOs) across the WB countries to understand the main issues and challenges they are facing in promoting democratic governance, reconciliation, and EU accession. Drawing on existing literature, the analysis shows that the WB countries have different levels of state-CSO relations and CSO development. With EU support, some countries, like Montenegro, have advanced in including CSOs into decision-making processes, despite limited governmental enthusiasm, while others, like Bosnia and Herzegovina, lag because of institutional weaknesses and political unrest. Attacks on CSOs present difficulties for Serbia in the context of political polarization, while identity politics and legislative gaps affect Kosovo and North Macedonia. In Albania, CSOs face challenges in inadequate funding and superficial government cooperation. Overall, the study calls for strengthened institutional structures, inclusion, funding, and legal protections for CSO empowerment as well

as more EU investment on the sector. It contributes to a better understanding of the region's democratic journey and prospects for European integration by highlighting the complexities of CSO dynamics in the WB.

References

Altmann, F.-L. (2015, August 26). *Civil Society in the Western Balkans*. Regional Cooperation Council. https://www.rcc.int/pangles/10/civil-society-in-the-western-balkans

Bieber, F. (2020). *The Rise of Authoritarianism in the Western Balkans*. Cham: Palgrave Macmillan. https://doi.org/10.1007/978-3-030-22149-2

Bino, B., Qirjazi, R., Dafa, A., & Vurmo, G. (2021). *Civil Society Participation in Decision Making in Albania.* Westminster Foundation for Democracy. https://idmalbania.org/wp-content/uploads/2021/11/CSO-Participation-in-Decision-Making-in-Albania.pdf

Chambers, S., & Kopstein, J. (2006). Civil Society and the State. In J. S. Dryzek, B. Honig, & A. Phillip (Eds.), *The Oxford Handbook of Political Theory* (pp. 363 - 381). Oxford: Uxford University Press. https://doi.org/10.1093/oxfordhb/9780199548439.003.0020

Diamond, L. J. (1994). Toward Democratic Consolidation. *Journal of Democracy*, *5*(3), 4-17. https://doi.org/10.1353/jod.1994.0041

Drakić, I., & Kajganović, J. (2012). *Civil society - an important asset in EU accession negotiations in Serbia and Montenegro*. Center for Democratic Transition. https://www.isac-fund.org/wp-content/uploads/2017/03/Civil_Society-an_important_asset_in_EU_accession_negotiations_in_Serbia_and_Montenegro.pdf

Edwards, M. (2009). *Civil Society.* Cambridge: Polity Press. https://doi.org/10.1007/s11266-014-9539-x

Egan, M., Nugent, N., & Paterson, W. E. (2018). *EU Enlargement and Civil Society in the Western Balkans.* Zurich: Springer Nature.

Glasius, M., Lewis, D., & Seckinelgin, H. (2004). *Exploring Civil Society. Political and Cultural Contexts.* Oxon: Routledge. https://doi.org/10.4324/9780203358290

Hadjievska, M. I. (2023). The democratic potential of politically and socially oriented CSOs: the case of North Macedonia. In L. Briguglio, M. Briguglio, S. Bunwaree & C. Slatter (Eds.), *Handbook of Civil Society and Social Movements in Small States* (pp. 274-287). Routledge. https://doi.org/10.4324/9781003341536

Juzová, J., Burazer, N., & Roginer, O. (2022). *Serbia's EU Accession Path: Integration without Democratization?* EUROPEUM. https://europeum.org/data/articles/serbia-s-eu-accession-path-european-integration-without-democratization.pdf

Kartsonaki, A., & Wolff, S. (2023). An Impenetrable Knot of Blended Conflicts? The National Identity Constraints of European Integration in the Western Balkans.

Journal of Intervention and State Building, *17*(2), 192 - 206.
https://doi.org/10.1080/17502977.2023.2182994

Kostovicova, D. (2013). Civil society and reconciliation in the Western Balkans: great
expectations? In E. Prifti (Ed.), *The European future of the Western Balkans* (pp.
101 - 108). Paris: EU Institute for Security Studies.
https://eprints.lse.ac.uk/50996/1/__libfile_repository_Content_Kostovicova_Kosto
vicova_Civil%20society%20and%20reconciliation_Kostovicova_Civil_society_re
conciliation_2013.pdf

Mastrorocco, R. (2020). OSCE and Civil Society in the Western Balkans: The Road to
Reconciliation. In A. Mihr (Ed.), *Transformation and Development: Studies in the
OSCE members* (pp. 83-101). Gewerbestrasse: Springer Nature.
https://doi.org/10.1007/978-3-030-42775-7

Mihajlovic, S. M., & Engeli, J. (2019, March 28). *Why is the Space for Civil Society in the
Balkans Shrinking?* Helvetas Eastern Europe.
https://www.helvetas.org/en/eastern-europe/about-us/follow-us/helvetas-
mosaic/article/March2019/why-is-the-space-for-civil-society-in-the-Balkans-
shrinking

Milan, C. (2017). Civil Society in Bosnia Herzegovina: From the late '80 to nowadays, a
historical perspective. *Centre of Social Movement Studies*, *4*(2), 272-296.
https://doi.org/10.5565/rev/tdevorado.113

Nikolovski, I. (2020). *Civil society organisations and North Macedonia's European
integration: Towards strategic participation and transparent accession
negotiations* (Advocacy Paper No.32). Konrad Adenauer Stiftung.
https://www.kas.de/documents/281657/281706/Civil+society+organisations+and+
North+Macedonia%E2%80%99s+European+integration.pdf/d0891c11-6b77-
c9e5-7a19-7bdf65999fd8?version=1.0&t=1595330047339

Perković, A. (2014). The European Union and the Democratization Process of the Western
Balkans. *Southeastern Europe*, *38*(1), 112-133. https://doi.org/10.1163/18763332-
03801005

Polletta, F., & Jasper, J. M. (2001). Collective Identity and Social Movements. *Annual
Review of Sociology*, *27*, 283–305. http://www.jstor.org/stable/2678623

Rodrigues, C. (2015). *Recognizing the value of civil society participation.* Transparency
International. https://images.transparencycdn.org/images/2015_
CivilSocietyParticipationUNCAC_EN.pdf

Sadiku, L. (2010). Civil Society and Anti-Corruption. Experiences from Albania, Kosovo
and Serbia. *Romanian Journal of Political Sciences*, *10*(2), 34-62.

Salamon, L. M., & Sokolowski, W. (2016). *The Size and the Scope of the European Third
Sector* (Working Paper No. 12). Brussels: Seventh Framework Programme
European Union. https://thirdsectorimpact.eu/site/assets/uploads/
documentations/tsi-working-paper-no-12-size-scope-third-sector-europe/TSI-
Working-Paper-12_Size-and-Scope.pdf

Salamon, L. M., & Toepler, S. (2015). Government–Nonprofit Cooperation: Anomaly or Necessity? *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, *26*, 2156 - 2177. https://doi.org/10.1007/s11266-015-9651-6

Sarajlić, E., & Marko, D. (2011). *State or Nation? The Challenges of Political Transition in Bosnia Herzegovina.* Sarajevo: wiss Agency for Development and Cooperation. https://hrcak.srce.hr/file/168819

Scott, J. W., & Liikanen, I. (2010). Civil Society and the 'Neighbourhood' - Europeanization through Cross-Border Cooperation? *Journal of European Integration*, *32*(5), 423–438. https://doi.org/10.1080/07036337.2010.498628

Sharlamanov, K., & Petreska, J. (2020). Civil Society and Social Movements in Macedonia. *Sociological Review*, *21*(1), 29 - 44.

Spasic, I. (2003). Civil Society in Serbia after Milosevic´: Between Authoritarianism and Wishful Thinking. *Polish Sociological Review*, *4*(144), 109 - 125.

Strazzari, F., & Selenica, E. (2013). Nationalism and Civil Society Organisations in Post-Independence Kosovo. In V. Bojicic-Dzelilovic, J. Ker-Lindsay, D. Kostovicova (Eds.), *Civil Society and Transitions in the Western Balkans* (pp. 117 - 134). Palgrave Macmillan. https://doi.org/10.1057/9781137296252_7

USAID (2023). Civil Society Organization Sustainability Index. https://csosi.org/

We Balkans (n.d.). Civil Society. https://webalkans.eu/me/themes/democracy-and-fundamental-rights/civil-society/

A comparison of subjective and objective measures of health status

 Paula Viziteu ✉

Alexandru Ioan Cuza University of Iasi

Abstract: Two types of categories for measuring health status are distinguished, the subjective and the objective. This study aims to shift from a subjective measure of Self-rated health (SRH) to a health index that is more objective. The research question asks about the advantages and disadvantages of each. Some positive aspects of the subjective method may be drawn from its simplicity, from accessibility of data collection, from low survey costs, from popularity, from the large use by researchers. It may be considered problematic because it relies on respondents' perceptions, which can change when reassessing health. There may also be problems with data accuracy. As for the health index, it can be recognized as easy to interpret, easy to solve econometric problems, i.e. problems related to multicollinearity. The difficult part is the construct of the index and the fact that data may change over time. This comparison can help researchers when choosing or updating a health measure, but also might contribute on health policy-decision-making.

Keywords: self-rated health, health index, measuring health, SF-36, EQ-5D

Introduction

In the 1800s, the first indicators of health status were very simple, such as infant mortality rate and life expectancy (Etches et al, 2006). According to the analysis of Etches et al. (2006), over time, standardized comparisons between populations, disease incidence, quality of life, health expectancy, health gaps, cumulative qualitative and quantitative indicators, etc., have also emerged (Etches et al., 2006). Clearly, health status at the individual level is based on an observation from a whole, and the overall sum of observations forms a group or population. According to a text from the Association of Faculties of Medicine of Canada (AFMC Primer on Population Health, 2024), population health still focuses on the health of the individual, but has a broader perspective, including economics, environmental sustainability, social equity, etc. At the individual level, health can mean for example well-being, energy or strength, the ability to carry out daily activities (Cox et al.,

---

✉ PhD Candidate, Alexandru Ioan Cuza University of Iasi, Romania; e-mail: viziteu.paula25@gmail.com

1987, 1993), but also anatomical, physiological and psychological integrity (Stokes et al., 1982).

There are also some shades in population and individual level. Mathers et al. (2003) emphasized that generating population-level statistics by aggregating individual-level data quickly becomes difficult when multiple issues are considered and when comparisons over time, between groups or before and after a medical intervention are desired. Another issue is that a population-level measure is constrained by individual-level data which may can change over time. Both the perception of respondents and the precise data can change over time. The issue that arises is about the representativeness of the population, about how individuals are chosen for a given population and how accurate the survey data are. In addition, some respondents may underestimate or overestimate health status and misreport. It is important that the individual-level data are accurate and representative for the population, as they can influence the population-level analyses. Such data may shape a population from which powerful statistical results can be performed. Not all measures can be applied at a population level. Some of these drawbacks will also be reflected in the presentation of subjective and objective methods in the following lines. Thus, the question arises about which methods describes the best health status?

Health status measurement is complex, aiming to measure health on both subjective and objective levels. This journey starts by presenting some positive and negative aspects of subjective and objective measures. Lastly, two health indexes of widely recognized health surveys are presented - the SF-36 and the EQ-5D and also some measurement issues. It is essential to have a clear view of the advantages and disadvantages of these two methods of measuring health status in order to choose the most appropriate measure for a particular study. Choosing the best measure for a particular population may also mean developing health policies. This discussion may help researchers, statisticians and health policy makers on their decisions. Some statisticians are faced with the situation of choosing either SRH or health index for measuring health status. It is important to motivate this choice. This direction of research is important because the methods for measuring health status are the basis for statistical analysis, from which results can be used by public health to create health policies.

1. Subjective measure of health

On a subjective level, it is difficult to present a clear and complete picture of self-assessed health, as there is more debate than results. The questions at first glance that may be asked include whether it is valid and reliable, whether it can be considered a measure of a population, whether it can predict mortality and certain diseases, whether it is affordable, popular, whether it can change over time, whether it is consistent with clinical measurements. It can be seen that it has taken many resources over time to answer all these questions. These answers most likely led to

the choice of this measure over others for a particular study. After all, what interests a health researcher, for example, is the valid measure that best fit for his study. Perceived health status is already tested for validity (DeSalvo et al., 2006) and reliability (Cox et al., 2009; Martikainen et al., 1999), which supports its use in population-level surveys. At the same time, there remains a question mark due to the subjectivity of responses which can change, because, as Bailis, Segall and Chipperfield (2003) say, subjective or self-assessed health status takes into account respondents' perceptions which often change according to time, lifestyle, alcohol and tobacco consumption, physical activity, etc. and that health can change due to many factors, which is why it is important to reassess it. In addition, a positive aspect can be inferred from the fact that the simplicity of the item supports low survey costs and data can be easily collected being a single scale question. There are many results in the literature, which makes the measure intensely debated and interesting.

Some important results of studies on self-rated health are presented next, in order to understand this measure more deeply. The more aspects, both positive and negative, are presented, the more interesting the debate becomes. First, according to Hamplova et al. (2022), the general self-rated health question is the most common measure of health status in large population-based surveys, a perspective that underscores its notoriety. It is a very popular measure of health status (Layes et al., 2012). The item can also have different choices. According to a review (Idler & Benyamini, 1997), several collective studies have been presented reporting the association between self-rated health status and mortality. Idler & Benyamini (1997) present some differences in wording can be seen here for Self-rated health (SRH), but several variants for SRH used in the selected studies, including: " For your age, in general, would you say your health is: Excellent, Good, Fair, Poor, Bad" (Mossey & Shapiro, 1982), " Do you consider yourself a … person: Healthy, Fairly healthy, Sick, Very sick" (Kaplan et al., 1988), " How is your health, compared with others your age: Better, Same, Worse" (Ho, 1991), " Would you say your health in general is: Excellent, Very good, Good, Fair, Poor" (Wolinsky et al., 1994). Subjectivity is undoubtedly present in all. According to Bailis et al. (2003), self-assessment of health is not only a spontaneous appraisal of health status. Jylha (2009) highlights the importance of this measure by stating that almost no other measure of health is more widely used and less understood than perceived health status. It is included in large surveys such as EHIS (European Health Interview Survey), SF-36 (Short Form 36 items) and according to World Health Organization, Statistics Netherlands, (1996), directly cited by Jylha, it is recommended as a standard part of health surveys.

Although these drawbacks for SRH are noted, this measure is still included in large surveys (Kohn, 2012) and is still chosen by researchers. This makes it a desirable and practical measure, mainly because it consists of a single question with multiple items and is easy to use. Regarding the limitations of the SRH, Kohn (2012) refers to econometric and theoretical issues associated with the use of this ordinal

discrete variable SRH, namely bias, measurement error issues. He mentions that a health index would solve these problems. It is also recommended to use multi-item health measures instead of SRH. SRH should only be used when there is no other alternative (Van Ginneken & Groenewold, 2012). Does it truly reflect the health status of a population? For this, the objective measure is still being debated, especially as Wu et al. (2013) found that SRH is consistent with objective health status which will be presented in the next section. After that will be emphasized that objective measure which is given by a health index which tends towards objectivity with respect to SRH.

2. Objective measure of health

A person's objectively measured health is based on direct evidence, clinical findings, diagnosis and treatment often established based on medical history, symptoms, current and previous diagnosed illnesses (Wu et al, 2013). One of the negative aspects of objective health could be that the patient assessment often lacks health-related questions that cannot always be tested, such as well-being, quality of life, emotional health, nutrition, etc. Usually, at the hospital, the patient is required to do the clinical protocol which may include laboratory samples, blood pressure measurement, taking a health history, presentation of current medications, etc. (Goldman et al, 2004). Wu et al. (2013) used physician-diagnosed disease prevalence and clinical parameters examined in the hospital, taking into account some health risk factors, to objectively measure. Study participants were questioned about the presence of chronic diseases, including hypertension, diabetes, cerebrovascular disorders and chronic bronchitis. Among the clinical parameters that were measured were hemoglobin, total cholesterol, triglycerides, plasma glucose, BMI (Body Mass Index). There are some cases where self-report health is in agreement with the results of clinical tests and diagnosis (Wu et al., 2013), but there are cases where they do not match. Body Mass Index (BMI) may suffer differences if not calculated based on patients' actual measurements (Hill &Roberts, 1998). Hypertension for some who do not measure it may be considered absent (Gupta et al., 2010). Objective measures help to shape respondents' perception of their own health, i.e. contribute to subjective measurement.

Coming back to the health index, they have been constructed to be easier to interpret in order to solve some econometric problems (Kohn, 2012). A single index would be easier to interpret than a discrete variable with multiple categories. An index avoids multicollinearity problems and allows precise inferences regardless of excluded categories (Kohn, 2012). SRH is generally a good predictor for mortality, but a health index with multiple items may be a stronger predictor of mortality according to Van Ginneken & Groenewold (2012). An index is not objective but tends towards the objective, unlike SRH. It has a more objective character given by the items that relate to specific questions about mental, physical, social health, etc.

The literature contains many surveys from which health indices have been constructed. For example, Ginneken & Groenewold (2012) developed a multiscale health index based on the World Health Survey questionnaire. It claims that it is multidimensional. The questionnaire includes SRH and a set of questions about functional limitation in activities of daily living, i.e. mobility, self-care, pain, physical discomfort, anxiety and depression. Each item has 5 categories ranging from "No difficulty" to "Extremely Difficult/Impossible". It used Principal Component Analysis to construct the health index. The index is an interval-level variable with values between 0 (perfect health) and 1 (in very bad health) (Ginneken & Groenewold, 2012). Kohn (2012) illustrated a health index constructed using Multiple Correspondence Analysis. Shan et al. (2023) used a weighted index comprising 14 chronic diseases to evaluate the objective measure. There are several surveys that have attempted to construct a health index. Many of these already include SRH in their calculation. This already joins the two measures, taking both into account. It joins several characteristics of the same respondent, through some statistical methods. The result may reflect reality better than single SRH. The SF-36 survey is presented first, followed by the EQ-5D.

3. Health indexes

The SF-36 has clearly delimited physical and mental dimensions (Ware, 1993). It consists of a set of easy to administer, generic and consistent measures of quality of life that have been widely used (36-Item Short Form Survey (SF-36), n.d.). It was developed for the assessment of health status, and was specifically designed for research and clinical practice, general population surveys, and health policy evaluations (Ware & Sherbourne, 1992). The SF-36 considers two dimensions-physical and mental, with eight health domains: physical functioning (10 items); physical role limitations (four items); bodily pain (two items); general health perception (five items); energy/vitality (four items); social functioning (two items); emotional role limitations (three items); and mental health (five items) (Burholt & Nash, 2011).

According to Figure 1 (Ware, 2000), physical health is divided into four scales. They are precise items, which measure how limited the respondent is with respect to some usual activities. These items capture aspects of a person's physical aspects, i.e. walking, moving around, self-care, etc. The last scale is General Health, which is subjective. Interestingly, this measure is integrated within physical health. A debate arises again about what Self-Rated Health can measure. In the SF-36 it is part of physical health, which hints that much of SRH may focus on the physical side, i.e. mobility, illness, etc. Mental health is also given by four items according to the same figure 1 (Ware, 2000). The first scale is Vitality, which is expressed by energy, exhaustion, fatigue. The second scale is Social Functioning, which includes items related to the influence of emotional problems and physical health that affected

social activity with family, friends, neighbours or other groups. The third scale is Role Emotional, which has three items related to problems with work or other activities as a result of emotional problems. Mental Health is the last scale which takes into account nervousness, depression, calmness, energy and exhaustion.

Figure 1. SF-36 measurement model

Figure 1. SF-36 measurement model. *Significant correlation with other summary measure.
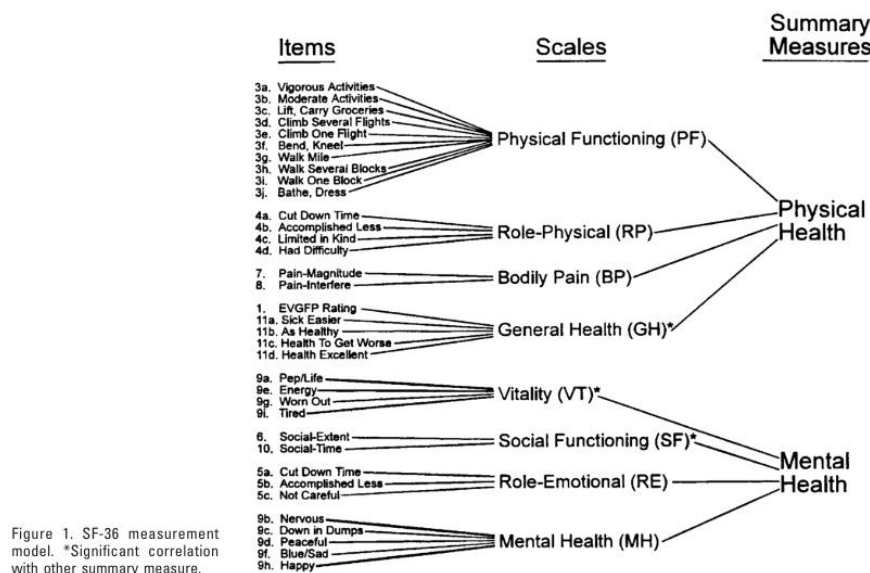
Source: Ware Jr., 2000

One of the downsides to the SF-36 score is that there is no standardized way to calculate a global SF-36 index of health-related quality of life, given the multitude of ways to create the index (Lins & Carvalho, 2016). Lins & Carvalho (2016) conducted a systematic review to see how the SF-36 total score for health-related quality of life was calculated. According to this review, most studies did not specify the method used, some summed the scores of the 8 domains, some arithmetic averaged the 8 domains, some arithmetic averaged the Physical and Mental Component Summaries, and only one study included well-being across the 8 domains and the Physical and Mental Component Summaries. The SF-36 is very popular for health-related quality of life and is not specific for general health, but nevertheless, the overall score indicates the health status of patients (Ogura et al., 2021).

A version of the SF-36 health index for a Greek population considers mental, physical health and general well-being (Anagnostopoulos et al., 2005). They added a third factor - General Well-being - consisting of the items General Health and

Vitality. Of the 1426 respondents chosen for the study, only 1007 agreed to participate. The responses for each item were coded, summed and transformed into a scale from 0 (worst possible health) to 1 (best possible health). To test construct validity, they used SEM analysis (Anagnostopoulos et al., 2005). Another algorithm to create the two aggregated scores of the two components - physical and mental - is presented by Taft, Karlsson & Sullivan (2001) in the work of Laucis et al. (2015). First the 8 subscales (from 0-100) are standardized using linear z-score transformation. The eight scale scores are calculated, a z-score is determined for each by subtracting the scale mean of a sample of the general U.S. population from the scale score of an individual and then dividing by the standard deviation of the general U.S. population. Each of the eight z-scores is then multiplied by the corresponding factor score coefficient for the scale. There are two different sets of factor scoring coefficients, one for the PCS and one for the MCS. The products of the z-scores and the factor scoring coefficients for the PCS are then summed, and a similar calculation is performed for the MCS. Each resulting sum is multiplied by 10 and added to 50 to linearly transform the PCS or MCS into the T-score metric, which has a mean of 50 and a standard deviation of 10 for the general U.S. population (Laucis et al., 2015).

The EQ-5D is a questionnaire consisting of two parts, the EQ-5D and the EQ VAS (EuroQol Research Foundation, 2019). Each part captures either the objective measure of health status or the subjective measure. Historically and theoretically, the EQ-5D is a health status measure developed by the EuroQol Group in the 1980s (Devlin &Brooks, 2017). According to Brooks (2003), the EQ-5D was specifically designed to complement other health-related quality of life (HRQoL) measures such as the SF-36, NHP, SIP or disease-specific measures. The EQ-5D considers the societal perspective, i.e. health economics, whereas the EQ VAS is used more in clinical assessments and surveys of some populations (EuroQol Research Foundation. EQ-5D-5L User Guide, 2019). From the EQ-5D, health profiles can be created from which sets of values are formed that can be concretized into a health index. The EQ VAS is separate from this index, aiming to subjectively measure health based on the perceptions of the respondents. In terms of structure, page 1 contains optional demographic questions, page 2 is the EQ-5D, and page 3 the EQ-VAS. The socio-demographic questions are related to age, gender, smoking, education, medical work, activity category (EuroQol Research Foundation. EQ-5D-5L User Guide, 2019).

The five dimensions of EQ-5D are: mobility, self-care, usual activities, pain/discomfort and anxiety/depression, of three levels each (Devlin &Brooks, 2017). The levels range from "no problems" to "extreme problems/unable to" (EuroQol Research Foundation. EQ-5D-5L User Guide, 2019). According to the same user guide (EuroQol Research Foundation. EQ-5D-5L User Guide, 2019), these levels are coded from 1 to 5 for each response option of each dimension. Only one correct answer is possible and missing values are coded as 9. Uncertain values

are treated as missing values. The merging of the five dimensions for a case reflects a health state. For example, a respondent's answer of 1 for all 5 items represents health status 11111, which means no problems for all five dimensions. Respondents' health states can be summarized by this five-digit coding or they can be summarized in an index given a single value. This index expresses how good or bad the health status is taking into account the assessments of the general population in a region/country.

The collection of the index values of all EQ-5D States is called the value set (EuroQol Group, n.d.). To create the health index, one needs to specify the value set for a given country/region, and then calculate the mean, standard deviation, minimum, median and maximum scores for that specific population (EuroQol Research Foundation. EQ-5D-5L User Guide, 2019). The value set is already available for most countries and can be used in the analysis (EuroQol Group, n.d.). The method, model, covariates and fixed effects will be chosen according to the study (e.g. ANCOVA) (EuroQol Research Foundation. EQ-5D-5L User Guide, 2019). EQ-VAS represents the perceived health state on a Visual Analogue Scale (VAS) from 1 to 100, from "best imaginable health state " to "worst imaginable health state" (Brooks et al., 2003). EQ VAS focuses on the patient's perspective and reflects the patient's point of view (EuroQol Research Foundation. EQ-5D-5L User Guide, 2019). Note that the health index does not include the EQ VAS, i.e. the subjective item - perceived health status. These are separated. Can observe that a health index is more complex than SRH and considers more aspects. Regardless of which measure is to be applied in a study or a survey, statisticians have to deal first with measurement issues. The next section covers some aspects related to measurement.

4. Measurement issues

Subjective and objective health measures, i.e. clinical tests and health indicators, have a sort of error (AFMC Primer on Population Health, 2024). Traditional reliability considers only random errors, while validity testing considers bias (Dowell, 2006). It is important how respondents were chosen, whether the sample is representative, whether everyone has an equal chance of being selected. There may be respondents who do not wish to participate even though they have been selected, which may cause bias. Also, the clinic has all the data recorded, but after a while people may not remember them and report erroneously when asked (AFMC Primer on Population Health, 2024). In health care, many measurement issues can arise and indicators may or may not work well, which is why reliability and validity are tested (Ebrahim & Bowling, 2005).

Subjective measures are more concerned with the perception of health status, which takes into account several aspects, which is why it has been tested for reliability and validity, among others. According to Nunnally (1978) and

Helmstadter (1964) (direct quotation from Ware, 1993), comparisons between individuals require high reliability, with values greater than 0.90, and comparisons between groups do not require high reliability (values between 0.50 and 0.70 or higher are acceptable). Validity is generally the degree to which an instrument measures what it is designed to measure (Culyer, 2005). The construct is a theoretical measure of something that cannot be measured directly, such as "quality of life" or "severity of illness" (Culyer, 2005). The literature shows that self-rated health status is a very reliable measure for estimating health (Ringen, 1995). It is difficult to separate the objective measure from the subjective measure and to impose a particular approach, which is why they may be more successful together in assessing health attributes (Barofsky, 2012). Wu et al. (2013) found that SRH is consistent with objective health status. There are some situations where people's reporting of their own health is in agreement with clinical test results and diagnosis respectively (Wu et al, 2013), but there are situations where these do not coincide. Body Mass Index (BMI) can be subject to discrepancies if not calculated based on patients' actual measurements (Hill &Roberts, 1998). Hypertension for some who do not measure it may be considered absent (Gupta et al, 2010).

Conclusions

Health measurement methods are complex and it is challenging to choose one for a particular study. Both subjective and objective are very important and interconnected. From a statistical point of view, there can be seen differences in data, statistical analysis and results. For health representatives, these results may be useful in developing health policies. In this way, the choice of the best method is still up to the researchers. A combination of subjective and objective measurement would be ideal for measuring health status, i.e. the health index from SF-36. In this study, the advantages and disadvantages were presented, and a better picture of the two types of measures was drawn. Subjective health could be about low costs and simplicity, but may be a challenge when it comes to reassess health over time due to the perception which is about to change most likely. On the other side, in general, the health index facilitates statistical analysis, is easy to interpret, is a strong predictor of mortality, and solves some econometric problems. Both SRH and health index need to consider the individual and population level, more precisely the representativeness of the population, the data accuracy, as well as the reassessment of health as a result of changes that may occur over time. Both measures seems to be valid and reliable and popular. The fact that they are being consistent with one another highlights a research direction that involves updating or creating health measures that include subjective and objective elements.

References

36-Item Short Form Survey (SF-36). (1992). RAND Health Care. https://www.rand.org/health-care/surveys_tools/mos/36-item-short-form.html.

AFMC Primer on Population Health. (2024). *A virtual textbook on Public Health concepts for clinicians.* https://phprimer.afmc.ca/

Anagnostopoulos, F., Niakas, D., & Pappa, E. (2005). Construct validation of the Greek SF-36 health survey. *Quality of Life Research*, *14*, 1959-1965. https://doi.org/10.1007/s11136-005-3866-8.

Bailis, D. S., Segall, A., & Chipperfield, J. G. (2003). Two views of self-rated general health status. *Social science & medicine*, *56*(2), 203-217. https://doi.org/10.1016/S0277-9536(02)00020-5

Barofsky, I. (2012). Quality: Its Definition and Measurement as Applied to the Medically Ill. Springer. https://doi.org/10.1007/978-1-4419-9819-4

Brooks, R., Rabin, R., & De Charro, F. (Eds.). (2003). *The measurement and valuation of health status using EQ-5D: a European perspective: evidence from the EuroQol BIOMED Research Programme,* Springer. https://doi.org/10.1007/978-94-017-0233-1

Burholt, V., & Nash, P. (2011). Short form 36 (SF-36) health survey questionnaire: normative data for Wales. *Journal of public health*, *33*(4), 587-603, https://doi.org/10.1093/pubmed/fdr006

Cox, B., Oyen, H. V., Cambois, E., Jagger, C., Roy, S. L., Robine, J. M., & Romieu, I. (2009). The reliability of the minimum European health module. *International journal of public health*, *54*, 55-60, https://doi.org/10.1007/s00038-009-7104-y

Cox, B.D., Blaxter, M., Buckle, A.L.L., Fenner, N.P., Golding, J.F., Gore, M., Huppert, F.A., Nickson, J., Roth, M., Stark, J., Wadsworth, M.E.J., & Whichelow. M. (1987). *The Health and Lifestyle Survey*. Health Promotion Research Trust.

Cox, B.D., Huppert, F.A. and Whichelow, M.J. (1993) *The Health and Lifestyle Survey: Seven Years on*. Health Promotion Research Trust.

Culyer, A. J. (2005). *The dictionary of health economics*. Edward Elgar Publishing.

DeSalvo, K. B., Fisher, W. P., Tran, K., Bloser, N., Merrill, W., & Peabody, J. (2006). Assessing measurement properties of two single-item general health measures. *Quality of Life Research*, *15*, 191-201. https://doi.org/10.1007/s11136-005-0887-2

Devlin, N. J., & Brooks, R. (2017). EQ-5D and the EuroQol group: past, present and future. *Applied health economics and health policy*, *15*, 127-137. https://doi.org/10.1007/s40258-017-0310-5

Ebrahim, S., & Bowling, A. (Eds.). (2005). *Handbook of health research methods: investigation, measurement and analysis*. Open University Press.

Etches, V., Frank, J., Ruggiero, E. D., & Manuel, D. (2006). Measuring population health: a review of indicators. *Annual Review of. Public Health*, *27*, 29-55. https://doi.org/10.1146/annurev.publhealth.27.021405.102141

EuroQol Group. (n.d.). *EuroQol.* https://euroqol.org/information-and-support/resources/value-sets/

EuroQol Research Foundation (2019). *EQ-5D-5L User Guide.* https://euroqol.org/publications/user-guides.

Goldman, N., Glei, D. A., & Chang, M. C. (2004). The role of clinical risk factors in understanding self-rated health. *Annals of epidemiology*, *14*(1), 49-57. https://doi.org/10.1016/s1047-2797(03)00077-2

Gupta, S., Adam, E., & McDade, T. (2010). Objective versus Subjective Measures of Health: Systematic differences, determinants and biases [Preliminary version]. https://academia.edu/download/93962506/guptapaper.pdf

Hamplova, D., Klusáček, J., & Mráček, T. (2022). Assessment of self-rated health: The relative importance of physiological, mental, and socioeconomic factors. *PLoS One*, *17*(4), e0267115. https://doi.org/10.1371/journal.pone.0267115

Helmstadter, G.C. (1964). *Principles of psychological measurement.* Appleton-Century-Crofts.

Hill, A., & Roberts, J. (1998). Body mass index: A comparison between self-reported and measured height and weight. *Journal of Public Health Medicine, 20*(2), 206-210, https://doi.org/10.1093/oxfordjournals.pubmed.a024744

Ho, S. C. (1991). Health and social predictors of mortality in an elderly Chinese cohort. *American Journal of Epidemiology, 133*, 907-921. https://doi.org/10.1093/oxfordjournals.aje.a115970

Idler, E. L., & Benyamini, Y. (1997). Self-rated health and mortality: A review of twenty-seven community studies. *Journal of Health and Social Behavior*, 21-37. https://doi.org/10.2307/2955359

Jylhä, M. (2009). What is self-rated health and why does it predict mortality? Towards a unified conceptual model. *Social Science & Medicine, 69*(3), 307-316. https://doi.org/10.1016/j.socscimed.2009.05.013

Kaplan, G., Barell, V., & Lusky, A. (1988). Subjective state of health and survival in elderly adults. *Journal of Gerontology, 43*(4), S114-S120. https://doi.org/10.1093/geronj/43.4.s114

Kohn, J. L. (2012). What is health? A multiple correspondence health index. *Eastern Economic Journal, 38*, 223-250 https://doi.org/10.1057/eej.2011.5

Laucis, N. C., Hays, R. D., & Bhattacharyya, T. (2015). Scoring the SF-36 in orthopaedics: A brief guide. *JBJS, 97*(19), 1628-1634. https://doi.org/10.2106/JBJS.O.00030

Layes, A., Asada, Y., & Kephart, G. (2012). Whiners and deniers: What does self-rated health measure? *Social Science & Medicine, 75*(1). https://doi.org/10.1016/j.socscimed.2011.10.030

Lins, L., & Carvalho, F. M. (2016). SF-36 total score as a single measure of health-related quality of life: Scoping review. *SAGE Open Medicine*, *4*. https://doi.org/10.1177/2050312116671725

Martikainen, P., Aromaa, A., Heliövaara, M., Klaukka, T., Knekt, P., Maatela, J., & Lahelma, E. (1999). Reliability of perceived health by sex and age. *Social Science & Medicine, 48*(8), 1117-1122. https://doi.org/10.1016/s0277-9536(98)00416-x

Mathers, C. D., Murray, C. J., Ezzati, M., et al. (2003). Population health metrics: Crucial inputs to the development of evidence for health policy. *Population Health Metrics, 1*, 1-4. https://doi.org/10.1186/1478-7954-1-6

McDowell, I. (2006). *Measuring health: A guide to rating scales and questionnaires*. Oxford University Press. https://doi.org/10.1093/acprof:oso/9780195165678.001.0001

Mossey, J. M., & Shapiro, E. (1982). Self-rated health: A predictor of mortality among the elderly. *American Journal of Public Health, 72*(8), 800-808. https://doi.org/10.2105/ajph.72.8.800

Nunnally, J. C. (1978). *Psychometric theory* (2nd ed.). McGraw-Hill.

Ogura, K., Bartelstein, M. K., Yakoub, M. A., Nikolic, Z., Boland, P. J., & Healey, J. H. (2021). Minimal clinically important differences in SF-36 global score: Current value in orthopedic oncology. *Journal of Orthopaedic Research, 39*(10), 2116-2123. https://doi.org/10.1002/jor.24944

Ringen, S. (1995). Wellbeing, measurement, and preferences. *Scandinavian Sociological Association, 38*(1), 3-15, http://www.jstor.org/stable/4200936

Shan, S., Cao, J., Tang, K., Cheng, S., Ren, Z., Li, S., & Song, P. (2023). Self-rated health, interviewer-rated health, and objective health, their changes and trajectories over time, and the risk of mortality in Chinese adults. *Frontiers in Public Health, 11*, 1137527. https://doi.org/10.3389/fpubh.2023.1137527

Stokes, J., Noren, J., & Shindell, S. (1982). Definition of terms and concepts applicable to clinical preventive medicine. *Journal of Community Health, 8*, 33-41. https://doi.org/10.1007/BF01324395

Taft, C., Karlsson, J., & Sullivan, M. (2001). Do SF-36 summary component scores accurately summarize subscale scores? *Quality of Life Research, 10*, 395-404. https://doi.org/10.1023/a:1012552211996

Van Ginneken, J. K. S., & Groenewold, W. G. F. (2012). A single-vs. multi-item self-rated health status measure: A 21-country study. *The Open Public Health Journal, 5*, 1-9, https://benthamopen.com/contents/pdf/TOPHJ/TOPHJ-5-1.pdf.

Ware, J. E. Jr. (2000). SF-36 health survey update. *Spine, 25*(24), 3130-3139. https://doi.org/10.1097/00007632-200012150-00008

Ware, J. E. Jr., & Sherbourne, C. D. (1992). The MOS 36-item short-form health survey (SF-36): I. Conceptual framework and item selection. *Medical Care, 30*(6), 473-483, https://pubmed.ncbi.nlm.nih.gov/1593914/

Ware, J. E. (1993). *SF-36 health survey: Manual and interpretation guide*. The Health Institute.

Wolinsky, F. D., Callahan, C. M., & Johnson, R. J. (1994). Subjective health status and mortality in the elderly. In B. J. Vellas, J. L. Albarede, & P. J. Garry (Eds.), *Facts and research in gerontology 1994* (pp. 13-27). Springer.

World Health Organization. (1996). *Health interview surveys: Towards international harmonization of methods and instruments*. WHO Regional Office for Europe.

Wu, S., Wang, R., Zhao, Y., Ma, X., Wu, M., Yan, X., & He, J. (2013). The relationship between self-rated health and objective health status: A population-based study. *BMC Public Health, 13*(1), 320. https://doi.org/10.1186/1471-2458-13-320

PART 2.

Data, digitalization and new challenges

Third time's the charm? The EU – US data privacy framework

Bianca-Raluca Tulac ✉

Alexandru Ioan Cuza University of Iasi, Romania

Abstract: In the current context of globalisation, data transfer to non-EU countries is becoming an important component of international trade. For this reason, and by virtue of the right to the protection of personal data, the creation of a legal framework designed to provide adequate safeguards for European citizens is a constant concern of the European Union. Through the lens of this study, we aim to outline an overall perspective on the cooperation between the European Union and the United States of America, regarding the transfer of personal data. Starting from the exposition of the efforts made over time, in order to ensure a safety of the transatlantic flow of data, we will focus on the current provisions in force, known as "Privacy Shield 2.0", determining, at the same time, the possible practical implications of them. Therefore, based on the study of the new rules established by the Privacy Shield 2.0, we will draw out the basic principles applicable to the transfer of data to the United States, the concrete effects of this act, presenting the legal challenges that its adoption brings, but also the ways in which it influences the development of international trade. Last but not least, we will analyse the likelihood of an invalidation of Privacy Shield 2.0 by reference to the premises of a possible Schrems III case. In this respect, we will present, on the one hand, the criticism of the way in which the European Union and the United States have agreed to reform the agreement on the confidentiality of data transfers, and, on the other hand, the steps taken against it.

Keywords: personal data, personal data protection, GDPR, DPF, Schrems III case

Introduction

At a European level, the right of each person to the protection of their personal data is expressly enshrined in Article 16 paragraph 1 of the Treaty on the Functioning of the European Union, provisions that are corroborated with those in the Article 8 paragraph 1 of the Charter of Fundamental Rights of the European Union (CFREU). The object of this right, i.e., personal data, is defined in the light of Article 4 point 1 of Regulation (EU) 2016/679 (Regulation (EU) 2016/679), the main legal instrument regulating this matter.

✉ PhD Student at the Faculty of Law, Alexandru Ioan Cuza University of Iasi, Romania; e-mail: bianca.tulac18@gmail.com.

By virtue of this regulatory framework, personal data cannot be transferred outside the European Union unless an adequate level of protection is ensured. Under this aspect, Chapter IV article 25 Paragraph (1) of Directive 95/46/EC of the European Parliament and of the Council of October 24, 1995 (Directive 95/46/EC) provided that "The Member States shall provide that the transfer to a third country of personal data which are undergoing processing or are intended for processing after transfer may take place only if, without prejudice to compliance with the national provisions adopted pursuant to the other provisions of this Directive, the third country in question ensures an adequate level of protection".

Following the adoption of this act, the European Commission (EC), assessing the level of protection afforded to the transfer of personal data by third countries, found that the level of protection afforded by the United States (US) was insufficient (Câmpean, 2015).

In this context, the EU and the US have started negotiations on the creation of a framework to ensure an adequate level of protection for the transatlantic transfer of personal data. These negotiations resulted in the "Safe Harbor" system of principles in 2000. This system introduced a series of rules that had the role of facilitating the transfer of personal data of the European citizens, to be stored, analysed and used by the emerging services of the information society, such as social networks or services of provision of digital content (Katulić & Vojkovic, 2016).

However, these principles were invalidated in 2015 by the European Court of Justice (CJEU), by issuing a decision in the case of Schrems v Data Protection Commissioner (Case C-362/14), known globally as "Schrems I". This lack of success of "Safe Harbor" happened when Facebook Ireland violated Articles 7 and 8 of the Fundamental Charter of Human Rights by transferring personal data to US-based Facebook Inc. without providing an adequate level of protection. Thus, the US National Security Agency (NSA) obtained, through the PRISM program, unrestricted rights to intercept and research data (including personal data) held by the participants in the US Safe Harbor program, including Facebook (Vidovic, M. Š., 2015).

As a result of the invalidation of the Safe Harbor Principles, US companies processing personal data under them could no longer avail themselves of this framework but had to apply for a special authorization to transfer personal data from Europe. From a practical point of view, this meant higher costs, delays in transfers, and a reason to duplicate US data servers in the EU (Vidovic, 2015).

Given these negative consequences of invalidating the Safe Harbor principles, the EU and the US have resumed negotiations to establish a new legislative framework to regulate transatlantic transfers of personal data. Thus, on 12th July 2016 the EU-US Privacy Shield Agreement, also known in practice as "Privacy Shield 1.0", was adopted, which provided new standards to ensure the protection of the flow of personal data. However, it appears that this legislative instrument did not meet the requirements of the Directive 95/46/EC on ensuring

an adequate level of protection by the companies processing personal data. The CJEU, under review in the "Schrems 2" case (Case C-311/18), found that the provisions of US legislation in this area did not provide an adequate level of protection and were in breach of the GDPR.

Specifically, the Court pointed out that the mass surveillance of the transatlantic transfer of personal data under the Section 702 of the US Foreign Intelligence Surveillance Act (FISA), Executive Order 12333, and the Presidential Directive 28 allow access and use by authorities of personal data imported from the EU to the US and lack the necessary controls to adequately protect EU data subjects who may become the target of national security investigations (Sharp Cookie Advisors, 2020).

In addition to these shortcomings, the Court pointed out that the adequate level of protection of the data flow was also diminished by the fact that the authority established by Privacy Shield 1.0, in the form of an Ombudsman, which was competent to resolve complaints about improper processing of personal data by US companies, was not an independent one. Under this aspect, the Court observed the fact that the undersecretary of state conducting the investigation was an executive body, which did not have the authority to take coercive measures, and its decisions could not be challenged (Propp & Swire, 2020).

For these reasons, finding that although the US legislation has rules equivalent to those in the EU in the matter of personal data protection, they are not effective, by the Decision issued on July 16, 2020 in the case of Data Protection Commissioner v. Facebook Ireland Limited, Maximillian Schrems (Case C-311/18), the CJEU declared the Privacy Shield 1.0 invalid.

At the same time, through this decision, the CJEU confirmed that the Standard Contractual Clauses (SCC) was an appropriate mechanism to ensure transatlantic data transfer, with the mention that data operators or persons authorized by operators who rely on the Standard Contractual Clauses are obliged to verify if the legislation of the third country of destination ensures adequate protection, under the EU law, of the personal data transferred with the help of standard data protection clauses, providing, if necessary, additional safeguards to those provided by said clauses (OneTrust DataGuidance, 2022).

1. Privacy Shield 1.0

The pronouncement of the decision in the "Schrems II" case by the CJEU had the direct effect of creating a vacuum regarding the transfer of personal data from the EU to the US and required the resumption of negotiations in order to establish a new regulation in this field. The efforts made in this regard by the EU and the US have materialized through the adoption of an agreement implementing new rules applicable to the transatlantic transfer of personal data. Thus, on July 10th, 2023, the European Commission adopted the Decision on the adequacy of the level of data

protection for the EU-US Data Privacy Framework, according to a press release, a normative act known as "Privacy Shield 2.0".

Starting from outlining the context in which the Privacy Shield 2.0 was adopted and the ways in which the negotiations between the EU and the US took place, we will first clarify the notion of "adequate level of protection", in order to then list the additional guarantees introduced by the EC Decision.

1.1. General considerations on Privacy Shield 2.0.

The invalidation of Privacy Shield 1.0 did not mean an end to the transfer of personal data from the EU to the US, and the conditions under which they are regulated was no longer regulated by any rule, in December 2020, the EDPB (EDPB) developed a series of recommendations on the additional transfer mechanisms (EDPB, 2023a) to ensure that data flows between the EU and the US provided the necessary protection capacity. The EDPS has also provided additional guidance on data transfers by updating the Standard Contractual Clauses (hereandafter, SCCs) for data transfers, including clarifying what is meant by a "transfer" (Stewart & Scott, 2022).

During this time, the EU and the US collaborated in order to renew the framework applicable to these types of transfer, and following the commitments assumed by the US to adequately protect the personal data of European citizens, on April 6th, 2022, the EDPS published Statement 01/2022 on the announcement of an agreement in principle on a new transatlantic data privacy framework.

According to the statements made by the President of the European Commission, Ursula von der Leyen, and President Biden, on the occasion of the signing of this "agreement in principle," the framework will encourage transatlantic data flows, responding to the concerns expressed by the Court of Justice of the European Union in the Schrems II decision of July 2020 (EDPB, 2022).

The next step in the Privacy Shield 2.0 adoption process was the signing by President Biden of the Executive Order on Strengthening Safeguards for U.S. Electromagnetic Signal Intelligence Collection Activities (The White House, 2022), which outlines the implementation steps the U.S. government will take in advancing the EU-U.S. Data Privacy Framework (DPF) (Metcalf, C. P., 2022). This order was basically a way for the US to cement the commitments they assumed in March of 2022, with the signing of the "agreement in principle" previously mentioned.

By analysing the provisions of this order, signed on October 7th, 2022, we can see that they represent new guarantees introduced to ensure adequate protection of the transatlantic flow of personal data. In concrete terms, this Executive Order emphasized, in particular, the regulation of the remedies available to data subjects who are subject to unlawful processing of their personal data, namely the mass surveillance of personal data collection carried out under Section 702 of FISA, Executive Order 12333, and Presidential Directive 28. For this reason, these

additional safeguards can be said to have been implemented in the form of remedies against the shortcomings pointed out by the CJEU in Schrems II.

All these provisions of the Executive Order signed by President Biden on October 7 were the subject of a review by the European Parliament, which investigated whether the additional safeguards met the GDPR's requirements for an adequate level of protection for the transfer of personal data to third countries.

The result of this analysis was reflected in the European Parliament Resolution of May 11th, 2023, on the adequacy of protection offered by the EU-US DPF (European Parliament, 2023). Through this resolution, the European Parliament pointed out that the Executive Order adopted by the US to implement the EU-US Personal Data Privacy Framework fails to provide an adequate level of protection for the transfer of personal data in relation to the European framework, as the safeguards provided for therein are not sufficient (Bruder & Yaros, 2023).

Considering that through the Resolution of May 11th, 2023, the European Parliament formulated several criticisms regarding the effectiveness of the new guarantees and that the transatlantic data transfers carried out according to the Executive Order signed on October 7th, 2022, are not adequately protected, the European Commission continued negotiations with the US to modify the existing legislative framework and to strengthen guarantees in this regard.

Thus, on July 10th, 2023, the European Commission adopted the Decision on the adequacy of the level of protection for secure data flows between the EU and the US, according to which the US ensures an adequate level of protection, comparable to that of the European Union, for personal data transferred from the EU to US businesses under the new framework (European Commission, 2023).

This Decision marks the entry into force of the new transatlantic personal data transfer framework between the EU and the US, known as Privacy Shield 2.0.

1.2. What is an "adequate level of protection" for the transatlantic transfer of personal data?

As it is also clear from the description of the context of the adoption of the new EU-US personal data privacy framework, the main instrument under which Privacy Shield 2.0 entered into force was the Decision on the adequacy of the level of protection for secure data flows between the EU and the US.

Through this Decision, the EU has, practically, confirmed that the new borders introduced by this legislation provide an adequate level of protection for personal data being transferred across borders. In this situation, one may wonder what is meant by an "adequate level of protection".

Relevant in this sense are the CJEU's clarifications recorded in the Schrems I case, in which it ruled that "The word 'adequate' in Article 25(6) of Directive 95/46 admittedly signifies that a third country cannot be required to ensure a level of protection identical to that guaranteed in the EU legal order. However, as the

Advocate General has observed in point 141 of his Opinion, the term 'adequate level of protection' must be understood as requiring the third country in fact to ensure, by reason of its domestic law or its international commitments, a level of protection of fundamental rights and freedoms that is essentially equivalent to that guaranteed within the European Union by virtue of Directive 95/46 read in the light of the Charter (CJEU judgment in C-362/14, 2020).

Therefore, by referring to the terminology used by the EU, i.e., the notion of "adequate", we can see that adequacy implies the existence of measures guaranteeing the protection of personal data in an appropriate manner, similar to that conferred by the applicable EU legislation in this field.

1.3. DPF Principles

The architecture of the new Privacy Shield 2.0. has been designed with reference to a set of commonly recognized and applied privacy principles that align with the requirements of the GDPR. The purpose of these principles is to provide European citizens with the assurance that they benefit from the same protection mechanisms for their personal data even when transferred to the US.

According to a release from the Privacy Shield framework (2023), transatlantic transfers of personal data are governed by seven key principles and 16 additional principles. All of these principles are subject to a commitment that US companies adhering to the DPF must make in order to obtain certification by the US Department of Commerce (DoC) (Rabet, 2023).

The first privacy principle is the Notification principle, which requires a certified company to inform those whose personal data is covered by the DPF (DPF-covered individuals) to notify them of their rights and of the certified company's obligations under the DPF (Jacobson et al., 2024). As to when this information should be disclosed, this principle provides that notification should be made at the time of the collection of personal data or as soon as possible thereafter.

The second principle applicable to a transatlantic transfer of personal data is the principle of choice, under which certified companies are required to give individuals a choice as to whether their data will be disclosed to third parties or used for any purpose other than the purpose(s) for which it was originally collected (Barany Esq, S., 2023). In the case of sensitive information (i.e., information relating to medical or health conditions, race or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, and sex life information), by applying this principle, the certified company must obtain the DPF data subject's "express affirmative consent" before disclosing the sensitive information to a third party or before using the sensitive information for a purpose not covered in the original notice or authorized by the express affirmative consent (Jacobson et al., 2024).

Under the principle of onward transfer liability, certified companies are obliged to transfer personal data to third parties only if they ensure that adequate

safeguards are in place to the same extent as they would have been without onward transfer (Barany Esq, 2023). To comply with this principle, from a practical point of view, the company processing the personal data must enter into a contract with the third party, which limits what the third party is allowed to do with the data and implements safeguards to protect the data after transfer (Barany Esq, S., 2023).

The Personal Data Security Principle refers to the obligation of certified companies to take measures to ensure that personal information is protected against loss, misuse, improper use, unauthorized access, alteration, or destruction (Stalla-Bourdillon, 2023).

In the same sense, the principle of data integrity and purpose limitation is also established, which means that personal data may only be used for the purposes for which it was collected or subsequently authorized by the person covered by the DPF while requiring reasonable steps to ensure the reliability of personal data in relation to its intended use, such as appropriate anonymization techniques for processing.

The sixth privacy principle is called the "access principle," which can be relied upon by persons whose personal data have been processed to access them. Specifically, this right allows people to correct, modify, or delete personal data that has been processed in violation of legal norms or that is inaccurate.

The last privacy principle is closely related to the new guarantee set up by Privacy Shield 2.0. to ensure an effective redress mechanism for resolving complaints against a possible breach of the right to the protection of personal data. Enshrined under the concepts of "redress", "enforcement" and "accountability", the principle places an obligation on certified companies to put in place mechanisms to provide redress for individuals affected by the non-compliant processing of personal data and to cooperate with the competent authorities in this matter.

1.4. The new safeguards on the transatlantic transfer of personal data introduced by Privacy Shield 2.0.

As mentioned above, when revising the personal data privacy framework, the EU and the US sought to respond to the observations made by the CJEU in the Schrems II case on the mechanisms that should ensure the protection of personal data transferred to a third state. In this context, the provisions of Privacy Shield 2.0., strongly influenced by the clarifications given by the CJEU, introduced those safeguards whose necessity resulted from the 2020 judgment.

First of all, one of the issues raised by the Court concerns the mass surveillance of the processing of personal data carried out under the provisions of Section 702 of FISA. It was reveled through the decision in the Schrems II case that such surveillance does not respect the principle of proportionality. This legislation therefore limits access by US intelligence services to the personal data of European citizens to what is necessary and proportionate to protect national security. In

practice, this provision is likely to minimize the processing of personal data and introduce the principles of proportionality and necessity specific to the GDPR.

Secondly, the Court criticized the fact that the Ombudsman responsible for resolving complaints regarding the illegal processing of personal data does not circumscribe the notion of "independent court" in the sense provided by the GDPR. Thus, through the lens of the new privacy shield, the EU and the US have also taken care to improve the complaint resolution mechanism by establishing an independent and impartial court to examine complaints related to the US activities in collecting information based on electromagnetic signals.

The former Ombudsman has been replaced by the Data Protection Review Court (DPRC), a data protection review court that independently investigates and resolves complaints, including by taking binding remedies, and even has the power to obtain relevant information from intelligence agencies or order the deletion of data processed in breach of the law (EC, 2023). Privacy Shield 2.0. has therefore provided European citizens with an independent and impartial redress mechanism for the collection and use of their data by US intelligence services (EC, 2023), which will enhance the protection of transatlantic transfers.

In order for the DPRC to meet the standards of impartiality and independence necessary to ensure adequate confidence in the complaint resolution process, it is envisaged that it will be composed of members from outside the US government. It is important to emphasize that these members are appointed on the basis of specific qualifications, can only be dismissed for just cause (such as a criminal conviction or being considered mentally or physically unfit to perform their duties), and cannot be instructed by the government (EC, 2023).

This additional warranty indirectly establishes a "dual degree of jurisdiction" in the matter of these types of claims. As the DPRC is the court of appeal against the outcome of a complaint, it will first be reviewed by the Civil Liberties Protection Officer in the Office of the Director of National Intelligence's Office (CLPO), a position created by Executive Order (OneTrust Data Guidance, 2023). In resolving complaints 'in the first instance', this body will issue binding decisions requiring any relevant agency or element of the US Intelligence Community ('IC element') to take appropriate remedial action (OneTrust Data Guidance, 2023). The outcome of this investigation will be communicated ex officio to the complainant, irrespective of whether or not his or her right to the protection of his or her personal data has been found to have been violated or whether the CLPO has issued a decision requiring appropriate remedies (OneTrust Data Guidance, 2023).

Following this notification, individuals who are dissatisfied with the decision taken by the Civil Liberties Officer may appeal to the DPRC. During the review procedure, each party will be assisted and represented by a lawyer specializing in this field who has extensive experience. Under this measure, Privacy Shield 2.0. introduces a guarantee of respect for the right to a fair trial, ensuring that the applicant's interests are properly represented and that the Court is well informed

about the factual and legal aspects of the case (EC, 2023). Similar to the completion of the first stage, the complainant will also be informed of the outcome of the review procedure by the DPRC.

If complainants do not wish to go through the above-described complaint resolution procedure, they may file a complaint directly with a DPF member organization, an independent dispute resolution body designated by that organization, national data protection authorities, the U.S. Department of Commerce, or the U.S. Federal Trade Commission (Filliatre, 2023).

In addition to all these possibilities, namely the recourse mechanism that European citizens can use when their personal data has been collected in violation of the applicable provisions, the Privacy Shield 2.0. provided for the establishment of an arbitration commission as the last possibility for the settlement of complaints. This panel will be composed of one or three arbitrators nominated by the disputing parties, who are chosen from a panel of at least ten arbitrators appointed by the US DoC and the Commission on the basis of their independence, integrity, and experience in US privacy law and Union data protection law (Filliatre, 2023).

The Privacy Shield 2.0. provided, as an additional safeguard for the protection of personal data, the possibility for the European Commission to periodically review the EU-US data privacy framework in cooperation with representatives of the US authorities. In this respect, it was agreed that the first review will take place within one year of the entry into force of the adequacy decision. The purpose of this review is to verify that all relevant elements have been fully implemented in the US legal framework and are working effectively in practice (Bergt, 2023).

2. Practical implications of adopting Privacy Shield 2.0.

Transatlantic transfers of personal data are an important component of the global economy, with a volume exceeding that of any other international relationship and contributing to the $7.1 trillion US-EU economic partnership (Marconi, F., 2023). At the same time, more than 90% of EU businesses doing business with the US are involved in these data transfers, of which 70% are small and medium-sized enterprises.

In this context, the entry into force of Privacy Shield 2.0. has had a major practical impact, leading to a number of changes in the work of companies that process personal data.

2.1. Procedure for obtaining data controller certification

First of all, following the adoption of Privacy Shield 2.0., US legal entities that chose to adhere to its provisions can make transfers of personal data without the additional safeguards of protection required by the GDPR.

Joining the Privacy Shield 2.0. involves obtaining a "data controller" certification from the US Department of Commerce. Specifically, the procedure for US companies to obtain this certification differs depending on whether or not they have previously joined Privacy Shield 1.0. But regardless, all companies seeking to become certified must first submit few information to the Department of Commerce (DoC) through the DPF website, such as the name of their organization and a description of the purposes for which they process personal data (Burton et al., 2023).

If a company has already been certified as a data controller with the adoption of Privacy Shield 1.0, it must update its privacy policies in line with the new principles introduced by Privacy Shield 2.0. However, just updating is not enough; they are required to get DoC's approval to be added to the list of DPF participants, and to maintain their certification, they must pay a fee and recertify their privacy policy annually (Burton et al., 2023).

On the other hand, if a company wants to join such a regulatory framework for the first time, it must first meet the eligibility requirements, i.e., it must be a US legal entity under the control of the Federal Trade Commission (FTC) or the US Department of Transportation (Miño, 2023). However, telecommunications companies, most banking institutions, trade unions, most non-profit organizations, or most companies involved in packaging and storage activities are not eligible to obtain data controller certification (Miño, 2023).

Once a U.S. company meets the eligibility requirements, it must adhere itself to a set of privacy obligations that originate from those under the U.S. Privacy Shield and are similar to the GDPR's core principles (Everett & Wiseman, C., 2023). Assuming these obligations implies, at a practical level, taking measures to ensure that the company's activities comply with the principles of confidentiality.

A first step for the US company is to revise or adopt a privacy policy regulating the transatlantic transfer of personal data internally.

As mentioned above, one of the new safeguards introduced by Privacy Shield 2.0. concerns the provision of an effective complaint redress mechanism against unlawful processing of personal data. Therefore, in order to respect this guarantee, US companies seeking certification must provide access to an independent court to resolve complaints. . In concrete terms, fulfilling this obligation requires the registration of the company with a specific redress mechanism, which can be achieved through its voluntary commitment to the jurisdiction of EU data protection authorities, including through independent alternative dispute resolution or privacy programs developed by the private sector (Everett & Wiseman, 2023).

Since Privacy Shield 2.0. also provides for an arbitration of disputes that arise from the transfer of personal data, in order to obtain certification, US companies are required to contribute to the arbitration fund, which is used to pay the costs of the arbitration, including the arbitrators' fees, up to a maximum amount (Data Privacy Program, 2023). These fees must be paid before the U.S. Department of Commerce's

International Trade Administration (ITA) finalizes the certification (Data Privacy Program, 2023).

Last but not least, US companies need to put in place their own regular compliance verification mechanism, which can be done either by appointing an internal DPF compliance contact person (Fournier, 2023) i.e., self-verification, or by an external body (Thomas, 2023).

The finalization of the certification procedure takes place when the American company is listed by the ITA under the Data Privacy Framework. However, this certification is only temporary and valid for one year (Naumchuk, A., 2024). Therefore, at the end of this time, if a company wishes to extend its DPF certification for another year, it must recertify under the DPF program and demonstrate continued compliance with the DPF principles (Naumchuk, 2024).

2.2. Practical implications for US companies that do not want to join Privacy Shield 2.0.

If a US company previously adhered to Privacy Shield 1.0 but is unwilling to revise its privacy policy to align with Privacy Shield 2.0 principles, then it has the option to opt out of the framework.

To do so, the company must notify the DoC in advance and complete a withdrawal form available online. Upon registration of this request, the ITA will remove the company from the Data Privacy Framework List and add it to the authorized registration of U.S. organizations that have previously self-certified with the ITA but have been removed from the Data Privacy Framework List (Data Privacy Program, 2023).

Also, following this removal from the Data Privacy Framework List, the company must delete or return the personal data collected (Braun et al., 2023). However, the company has the option to retain the data already collected, provided that it declares annually to the Department of Defense, through its annual recertification, its commitment to continue to apply the principles or to provide adequate protection of personal data by other authorized means, such as standard contractual clauses (Braun et al., 2023).

We remind you that joining Privacy Shield 2.0. offers US companies the benefit of collecting personal data from EU territory without presenting additional safeguards. *Per a contrario*, in the absence of certification under the GDPR, companies will have to put in place their own safeguards to protect the transatlantic transfer of personal data in order to comply with the GDPR.

One such common mechanism in the practice of transatlantic transfers of personal data is the standard contractual clause (SCC). "According to the General Data Protection Regulation (GDPR), contractual clauses ensuring appropriate data protection safeguards can be used as a ground for data transfers from the EU to third countries. This includes model contract clauses – the so-called standard contractual

clauses (SCCs) – that have been "pre-approved" by the European Commission" (EC, 2022).

Another alternative to standard contractual clauses is the use of binding Corporate rules (BCR). However, this personal data protection mechanism can only be used for intra-group transfers in accordance with Art. 47 of the GDPR (Determann & Nebel, 2023). "BCRs require the approval of the data protection authority, which generally cooperates through the consistency mechanism pursuant to Article 63 of the GDPR. If the competent data

protection authority approves the BCRs, the other authorities in the EU are bound" (Determann & Nebel, 2023).

Thus, the use of the two alternative safeguards ensures that the requirements imposed by the EU under the GDPR for the adequate level of protection needed for transatlantic transfers of personal data are met.

3. The premises for invalidating Privacy Shield 2.0.

Ever since the new legal framework governing the transatlantic flow of personal data was adopted, there have been several criticisms about the effectiveness of the new safeguards it introduces. Therefore, in this section, we intend to analyze the premises of a possible invalidation of Privacy Shield 2.0 by referring, on the one hand, to the request of Mr. Philippe Latombe and, on the other hand, to the press releases of the non-profit organization None of Your Business (NOYB), led by Max Schrems, the supporter of the previous invalidations.

3.1. Application by Phillipe Latombe for the annulment and suspension of the DPF

On September 6th, 2023, Phillipe Latombe, member of the French Parliament and member of the Commission of the French Data Protection Authority (CNIL), submitted an application to the CJEU for the annulment of Articles 1 and 2 of the DPF request to, which was assigned the registration number T-553/53. However, it is important to emphasize that he did not make this request in his official capacity but as a European citizen, a user of Microsoft 365 and other applications, in which his personal data may be transferred to the US on the basis of DPF (Rennie, 2023).

In his request to annul the DPF, Philippe Latombe showed that this regulatory framework does not contain sufficient guarantees to ensure adequate protection of personal data in accordance with the GDPR. At the same time, through a press release, Latombe claimed that the DPF is the product of a flawed process of negotiation and consultation, the implementation of which did not respect certain procedural norms and which, ultimately, failed to adequately protect the fundamental rights of EU citizens (A&L Goodbody, 2023).

A first criticism made by Philippe Latombe is that the legislation is drafted only in English, which would contravene EU rules requiring regulations and other texts of general application to be drafted in the official languages (Defer, 2023). Subsequently, the DPF was published in the Official Journal of the EU in all official EU languages and can therefore be accessed by any EU citizen.

At the same time, Philippe Latombe considered that the DPF does not give European citizens access to an appeal that effectively ensures access to an impartial court. He argued that the US DPRC cannot be considered an independent court because it was created by presidential executive order and not by an act of Congress.

Last but not least, in his request to cancel the DPF, Philippe Latombe criticized the lack of transparency of the procedure for dealing with complaints submitted to the DPRC. In addition to the application for annulment of the DPF, Latombe also made a separate application asking the President of the CJEU to order a stay of execution of the adequacy decision (OneTrust DataGuidance, 2023). This request for suspension, however, was rejected by the CJEU, in an interim decision delivered on October 12th, 2023, on the grounds that Latombe had not demonstrated the urgency of the measure.

In the content of this rejection decision, the Court showed that the indispensable condition of urgency was not met because it couldn't be established whether the applicant would suffer serious damage if DPF wouldn't have been suspended. Analysing the grounds on which Latombe requested the suspension, the Court found that they were, in fact, too general and did not justify ordering this measure. In other words, they did not sufficiently set out, in his particular case, that transfers of his personal data, on a DPF basis, to a DPF-certified enterprise in the US would have caused him serious harm, especially given that, under certain conditions, transfers of personal data to the US were already permitted under the transfer instruments provided for in Articles 46 and 49 of the GDPR (Cavalier et al., 2023).

The court also noted that Philippe Latombe did not prove that he used certain IT tools (such as Microsoft 365, Google, and Doctolib) that would involve the transfer of his data to the US or that he could not use other protection mechanisms, such as standard contractual clauses or mandatory corporate rules, to ensure an adequate level of protection of his data (Richmond-Coggan & Eliyas, 2023).

In this context, the Court rejected his request without further examining the merits of the case or the balancing of interests, concluding that the mere demonstration of a prima facie case, even a particularly serious one, could not compensate for the lack of urgency (Richmond-Coggan & Eliyas, 2023).

On the other hand, with regard to the request for annulment of the DPF, the CJEU has not yet ruled on the merits of the case but is going to analyze whether the criticisms launched thereby are well-founded in such a way as to require the Privacy Shield 2.0 to be ineffective.

3.2. NOYB's intention to challenge Privacy Shield 2.0.

Maximillian Schrems, representative of the non-profit organization NOYB, announced on his website[1] his intention to challenge the new DPF.

In its release, Schrems pointed out, firstly, that although in the Schrems II case the CJEU found that the mass surveillance carried out under the Foreign Intelligence Surveillance Act Section 702 (FISA 702) was not proportionate within the meaning of Article 52 of the EU Charter of Fundamental Rights (CFR), the US has not taken steps to reform it.

The lack of an independent body to review the collection of personal data is another shortcoming of the DPF, according to NOYB. In this sense, it claims that the authority responsible for resolving complaints regarding the processing of personal data was only a partially independent executive body, which couldn't be considered an independent and effective court for the protection of the rights of data subjects. Based on these reasons, NOYB announced that it had already prepared several actions against DPF to bring it again before the CJEU. However, to date, none of these approaches have materialized.

4. Perspectives on the evolution of the EU – US DPF

In the context in which the regulation of data transfer involves a series of consequences, both on the political stage and at a practical level in the digital age, the adoption of Privacy Shield 2.0 raised a series of debates regarding the usefulness and impact of the new normative changes introduced by it. Thus, over time, specialized authors have critically analysed all these aspects and formulated various points of view regarding the possible future directions of EU-US relations in terms of data privacy.

Some authors have argued that this agreement between the EU and the US represents an important step in the evolution of international rules for the oversight of foreign intelligence services (Kerry, 2023). Contrary to those supported by Max Schrems, they appreciated that the changes introduced by this normative act are likely to strengthen the protection guarantees of the transfer of personal data (Kerry, 2023).

Moreover, they made some proposals to improve the system of protection for the transfer of personal data, pointing out that "passage of comprehensive commercial privacy legislation would help allay perceptions that the U.S. is the Wild West when it comes to data collection, even though that has not been at issue in the previous cases" (Kerry, 2023).

Privacy Shield 2.0. It also came under the scrutiny of a thorough analysis by the EDPB (EDPB), which on 28 February 2023 adopted Opinion 5/2023 regarding

---

[1] NOYB, retrieved from https://noyb.eu/en

the draft decision on the adequacy of the level of protection of the DPF (EDPB, 2023b),). With this opinion, the EDPB, while welcoming the changes to be implemented by this piece of legislation, also expressed concerns about the level of protection provided by the draft Adequacy Decision (Stassen, et al., 2023).

The EDPB's concerns were mainly related to the fact that although the safeguards to protect data transfers have been updated, they remained essentially the same as those set out in the previous privacy shields. In this respect, the EDPB takes into account both privacy principles and the remedies available to data subjects in the event of unlawful processing of their personal data.

The EDPB also made a number of recommendations in this opinion, suggesting the EC to clarify "the scope of exemptions, including on the applicable safeguards under U.S. law, in order to better identify their impact on data subjects. The Opinion also underlined that the European Commission should monitor the application and adoption of any statute or government regulation that would affect adherence to the DPF Principles" (Stassen et al., 2023).

It can be seen that these opinions have been drawn up following a comparative analysis between the new privacy shield and the previous ones. In other words, the specialized authors formulated assessments of the improvements brought by Privacy Shield 2.0., frequently referring to the provisions of the other agreements that were previously invalidated by the CJEU. Beyond criticizing the imperfections of the new measures to protect personal data transfers, they noted a substantial development in EU-US cooperation in this area.

Considering the particular importance of this new normative act, the EDPB did not remain passive; thus, establishing the strategy for the period 2024-2027, it adopted the Rules of Procedure (EDPB, 2024a), a public information note (EDPB, 2024b), and standard complaint forms (EDPB, 2024c) to facilitate implementation of appeal mechanisms under the DPF.

Moreover, in a statement published after the adoption of the new DPF, the EDPB President stated that "The adoption of the DPF by the European Commission, following the EDPB opinion of February 2023, is an important decision recognising that personal data can now flow from the European Economic Area to the United States, without any further conditions. It is essential that individuals are aware of their rights and that organisations know their obligations, which the EDPB explains in the information note. The EDPB will continue to pay special attention to the correct implementation of this new instrument and we look forward to contributing to the first review of the DPF next year" (EDPB, 2023c).

As we have stated in the lines of this article, one of the additional guarantees introduced by Privacy Shield 2.0. It implies its periodic review, precisely to correspond to everyday realities. Thus, on July 19, 2024, one year after the entry into force of the DPF, on the occasion of the first review, in a joint statement, the Commissioner for Justice and Consumers, Didier Reynders, and the US Secretary of Commerce, Gina Raimondo, underlined its practical effectiveness. In doing so, they

pointed out that, in addition to enhancing the privacy of European citizens in the US space, the DPF has facilitated flows of personal data underpinning EU-US trade and investment worth over 1 trillion dollars (EC, 2024).

However, some authors were of the opinion that its long-term success will depend on its ability to withstand legal challenges and adapt to evolving privacy standards (ComplexDiscovery, 2024).

On the other hand, in agreement with those supported by Max Schrems, other specialists believe that, despite the efforts made by both parties, the US policy does not meet the requirements of the adequate level of protection of personal data and that the Commission's decision on the adequacy of the level of protection presents crucial loopholes that ultimately allowed the EU to give the green light to an agreement that does not fully meet the EU's constitutional requirements (Boehm et al., 2024).

Therefore, given the different views on the evolution of the DPF, it can be said that although this regulatory framework has some shortcomings and can be improved, it is nevertheless viable, and attempts at EU and US cooperation in this area have not been without results.

However, the European Commission will prepare a forthcoming report on the occasion of the first annual review of the DPF, which will offer valuable insights into potential future directions of EU-US data privacy relations. For this reason, the discussions on this topic remain open, allowing the authors to articulate their vision and provide a more in-depth analysis of the long-term implications of this piece of legislation.

Conclusions

Transfers of personal data are one of the sectors whose importance in international trade cannot be denied, and the protection of personal data is a matter of concern for the participants in these operations. Although the Privacy Shield 2.0. has introduced additional safeguards for the transatlantic flow of personal data, unlike the previous protection mechanism invalidated by the CJEU, the criticisms raised suggest that these are insufficient to ensure adequate protection.

On a practical level, the likelihood of a Schrems III case before the CJEU is likely to cause confusion and uncertainty regarding the protection of data that are part of the transatlantic flow. Against this backdrop, from a practical point of view, the use by US companies of their own mechanisms to protect personal data, in particular standard contractual clauses, seems to be a more efficient method than the adherence to the DPF, which can be invalidated at any time.

Despite the uncertainties surrounding the adequate level of protection of the new DPF, the transfer of personal data is a reality today, which is why we appreciate that the existence of such a framework, which still providing a minimum level of protection, it is preferable compared to its absence.

References

A&L Goodboy. (2023, July 17). *EU-US Data Privacy Framework – at a glance*. https://www.algoodbody.com/insights-publications/eu-us-data-privacy-framework-at-a-glance

Barany Esq, S. (2023). *The EU-US Data Privacy Framework: What Is It and How Can My Organization Participate?* SixFifty. https://www.sixfifty.com/blog/eu-us-data-privacy-framework/

Bergt, J. (2023). *The EU-US Data Privacy Framework: A New Era of Transatlantic Data Protection*. Chambers and Partners. https://chambers.com/articles/the-eu-us-data-privacy-framework-a-new-era-of-transatlantic-data-protection-2

Boehm, F., Carrera, S., Mitsilegas, V., Pocze, J. (2024*). In the EU-US data transfer and privacy quarrel, the end is not in sight*. Centre for European Policy Studies. https://www.ceps.eu/the-eu-us-data-transfers-and-privacy-quarrel-the-end-is-not-in-sight/

Braun, M., Nahra, K. J., Pinto, T. Y., Mercer, S. T., Benizri, I., & Halim, V. (2023). *Certification Under the EU-U.S. Data Privacy Framework*. Wilmerhale. https://www.wilmerhale.com/insights/client-alerts/20230718-certification-under-the-eu-us-data-privacy-framework/

Bruder, A. H., & Yaros, O. (2023). *European Parliament adopts resolution about the draft US Adequacy Decision.* Mayer Brown. https://www.mayerbrown.com/en/insights/publications/2023/06/european-parliament-adopts-resolution-about-the-draft-us-adequacy-decision

Burton, C., De Boel, L., Padova, Y., Mithal, M., Kuner, C., Theodorakis N., Evans, T., Evrard, C., Nuding, M. (2023). EU and U.S. Finalize Data Privacy Framework: Here's How to Get Certified. *Wilson Sonsini*. https://www.wsgr.com/en/insights/eu-and-us-finalize-data-privacy-framework-heres-how-to-get-certified.html

Case C-362/14. Judgment of the Court (Grand Chamber) of 6 October 2015. Maximillian Schrems v Data Protection Commissioner. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A62014CJ0362

Case C-311/18. Judgment of the Court (Grand Chamber) of 16 July 2020. Data Protection Commissioner/Facebook Ireland and Maximillian Schrems. https://curia.europa.eu/juris/document/document.jsf;jsessionid=EA3D06C518B95C5E0DB6DA401A07D4A6?text=&docid=228677&pageIndex=0&doclang=ro&mode=lst&dir=&occ=first&part=1&cid=1550817

Cavalier, M. (2023). EU-US Data Privacy Framework: No Urgency to Suspend, According to the CJEU. *Privacy World*. https://www.privacyworld.blog/2023/10/eu-us-data-privacy-framework-no-urgency-to-suspend-according-to-the-cje/

Câmpean, A. (2015). Un posibil semn că aplicabilitatea sistemului Safe Harbour se apropie de sfârșit. *Juridice*. https://www.juridice.ro/401832/un-posibil-semn-ca-aplicabilitatea-sistemului-safe-harbour-se-apropie-de-sfarsit.html

ComplexDiscovery Staff. (2024). *EU-U.S. Data Privacy Framework Under Scrutiny in First Annual Review*. https://complexdiscovery.com/eu-u-s-data-privacy-framework-under-scrutiny-in-first-annual-review/

Data Privacy Framework program (2024). *Withdrawal under the Data Privacy Framework (DPF) Program*. https://www.dataprivacyframework.gov/program-articles/Withdrawal-under-the-Data-Privacy-Framework-(DPF)-Program

Defer, A. (2023). *Il n'est pas urgent d'annuler le Data Privacy Framework qui lie l'UE et les Etats-Unis, selon la CJUE* [There is no urgent need to annul the Data Privacy Framework linking the EU and the United States, according to the CJEU]. L'Usine Digitale. https://www.usine-digitale.fr/article/non-il-n-est-pas-urgent-d-annuler-le-data-privacy-framework-qui-lie-l-ue-et-les-etats-unis.N2168837

Determann, L., & Nebel, M. (2023). The EU – US data privacy framework and the impact on companies in the EEA and USA compared to other international data transfer mechanisms. *Journal of Data Protection & Privacy*, *6*(2), 120-134.

Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A31995L0046

EDPB. (2022). *Statement 01/2022 on the announcement of an agreement in principle on a new Trans-Atlantic Data Privacy Framework*. https://www.edpb.europa.eu/system/files/2022-04/edpb_statement_202201_new_trans-atlantic_data_privacy_framework_en.pdf

EDPB. (2023a). *Recommendations 01/2020 on measures that supplement transfer tools to ensure compliance with the EU level of protection of personal data*. https://www.edpb.europa.eu/sites/default/files/consultation/edpb_recommendations_202001_supplementarymeasurestransferstools_en.pdf

EDPB. (2023b). Opinion 5/2023 on the European Commission Draft Implementing Decision on the adequate protection of personal data under the EU-US Data Privacy Framework. https://www.edpb.europa.eu/our-work-tools/our-documents/opinion-art-70/opinion-52023-european-commission-draft-implementing_en

EDPB. (2023c). *EDPB informs stakeholders about the implications of the DPF and adopts a statement on the first review of the Japan adequacy decision*. https://www.edpb.europa.eu/news/news/2023/edpb-informs-stakeholders-about-implications-dpf-and-adopts-statement-first-review_en

EDPB. (2024a). *Rules of Procedure on the Data Protection Framework redress mechanism for national security purposes*. https://www.edpb.europa.eu/our-work-tools/our-documents/other-guidance/rules-procedure-data-protection-framework-redress_en

EDPB. (2024b). *Information Note on the Data Protection Framework redress mechanism for national security purposes*. https://www.edpb.europa.eu/our-work-tools/our-documents/other-guidance/information-note-data-protection-framework-redress_en

EDPB. (2024c). *Template Complaint Form to the U.S. Office of the Director of National Intelligence's Civil Liberties Protection Officer (CLPO)*.

https://www.edpb.europa.eu/our-work-tools/our-documents/other-guidance/template-complaint-form-us-office-director-national_en

European Commission. (2023). *Data Protection: European Commission adopts new adequacy decision for safe and trusted EU-US data flows,* press relase. https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3721

European Commission. (2023). *Data Protection: European Commission adopts new adequacy decision for safe and trusted EU-US data flows* [Press release]. https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3721.

European Commission. (2023). *Questions & Answers: EU-U.S. Data Privacy Framework*. https://ec.europa.eu/commission/presscorner/detail/ro/QANDA_22_6045

European Commission. (2023). *Standard Contractual Clauses (SCC)*. https://commission.europa.eu/law/law-topic/data-protection/international-dimension-data-protection/standard-contractual-clauses-scc_en

European Comission. (2024). *Joint Press Statement: Commissioner Didier Reynders and US Secretary of Commerce Gina Raimondo on the first periodic review of the EU-U.S. Data Privacy Framework*. https://commission.europa.eu/news/joint-press-statement-commissioner-didier-reynders-and-us-secretary-commerce-gina-raimondo-first-2024-07-19_en

European Parliament. (2023). *Adequacy of the protection afforded by the EU-U.S. Data Privacy Framework European Parliament resolution of 11 May 2023 on the adequacy of the protection afforded by the EU-US Data Privacy Framework (2023/2501(RSP))*. https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:C_202301073

Filliatre, C. (2023). *European Union adopts a new framework for the transfer of personal data to the USA*. Soulier Avocats. https://www.soulier-avocats.com/en/european-union-adopts-a-new-framework-for-the-transfer-of-personal-data-to-the-usa/

Fournier, V. (2023). *10 FAQs about the New EU/US Data Privacy Framework*. OGC. https://www.outsidegc.com/blog/10-faqs-about-the-new-eu-us-data-privacy-framework

Jacobson, J. B., Kiosse, S., Friel, A., & Helleputte, C. (2024). *EU – U.S. Data Privacy Framework FAQs*. https://www.privacyworld.blog/data-privacy-framework-faq/

Katulić, T., & Vojković, G. (2016, May). From safe harbour to European data protection reform. In *2016 39th International Convention on Information and Communication Technology, Electronics and Microelectronics (MIPRO)* (pp. 1447-1451). IEEE.

Kerry, C. (2023). *Will the New EU-U.S. Data Privacy Framework Pass CJEU Scrutiny?* Lawfare Media. https://www.lawfaremedia.org/article/will-the-new-eu-u.s.-data-privacy-framework-pass-cjeu-scrutiny

Marconi, F. (2023). *The EU–US Data Protection Framework: Balancing Economic, Security and Privacy Considerations.* Istituto Affari Internazionali. https://www.iai.it/en/pubblicazioni/eu-us-data-protection-framework-balancing-economic-security-and-privacy-considerations

Metcalf, C. P. (2022). *EU & US - The new EU-US Data Privacy Framework is finally here, or is it?* Linklaters. https://www.linklaters.com/en/insights/blogs/digilinks/2022/october/eu-and-us--the-new-eu-us-data-privacy-framework-is-finally-here

Miño, V. (2023). *What does the Data Privacy Framework Self-Certification mean for your company?* Datenschutz. https://www.datenschutz-notizen.de/what-does-the-data-privacy-framework-self-certification-mean-for-your-company-0545511/

Naumchuk, A. M. (2024). *How Should Companies Self-certify Under the EU-US Data Privacy Framework (DPF)?* Legal Nodes. https://legalnodes.com/article/data-privacy-framework-self-certification

OneTrust Data Guidance. (2022). *International: Overview of the DPRC Regulations.* https://www.dataguidance.com/opinion/international-overview-dprc-regulations

OneTrust Data Guidance. (2023). *EU: CJEU rejects request to suspend EU-US Data Privacy Framework.* https://www.dataguidance.com/news/eu-cjeu-rejects-request-suspend-eu-us-data-privacy

OneTrust DataGuidance. (2021). *The Definitive Guide to Schrems II.* https://www.dataguidance.com/resource/definitive-guide-schrems-ii

Privacy Shield framework (2023). *Arbitral Fund Contribution.* https://www.privacyshield.gov/ps/arbitral-fund-contribution

Propp, P., & Swire, P. (2020). *After Schrems II: A Proposal to Meet the Individual Redress Challenge.* Lawfare Media. https://www.lawfaremedia.org/article/after-schrems-ii-proposal-meet-individual-redress-challenge

Rabet, H. (2023). *Key Principles and Considerations for Participation in the EU-US Data Privacy Framework.* Katten. https://katten.com/key-principles-and-considerations-for-participation-in-the-eu-us-data-privacy-framework

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC. https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32016R0679

Rennie, P. (2023). *European court rejects EU-US Data Privacy Framework ("DPF") challenge.* Wiggin. https://www.wiggin.eu/insight/european-court-rejects-eu-us-data-privacy-framework-dpf-challenge/

Richmond-Coggan, W., & Eliyas, S. (2023). *EU-US Data Privacy Framework challenge rejected by EU General Court.* Freeths. https://www.freeths.co.uk/insights-events/legal-articles/2023/eu-us-data-privacy-framework-challenge-rejected-by-eu-general-court

Sharp Cookie Advisors. (2020). *Schrems II a summary – all you need to know.* https://www.gdprsummary.com/schrems-ii/

Stalla-Bourdillon, S. (2023). *What Is the EU-US Data Privacy Framework & How Should You Plan?* Immuta. https://www.immuta.com/blog/eu-us-data-privacy-framework

Stassen,M., & Sokova M., Crowell, Moring (2023). *EDPB's Opinion on EU-U.S. DPF*. Crowell. https://www.crowelldatalaw.com/2023/03/edpbs-opinion-on-eu-u-s-dpf

Stewart, K. E. S (2022). *EU and U.S. Reach Agreement in Principle on New Data Privacy*. Wiley. https://www.wiley.law/newsletter-April-2022-PIF-EU-and-US-Reach-Agreement-in-Principle-on-New-Data-Privacy-Framework-for-EU-US-Data-Transfers

Thomas, L. (2023). *Considerations for Participation in the EU-US Data Privacy Framework*. Sheppard Mullin. https://www.eyeonprivacy.com/2023/09/considerations-for-participation-in-the-eu-us-data-privacy-framework

Škrinjar Vidović, M. (2015). Schrems v Data Protection Commissioner (Case C-362/14): Empowering National Data Protection Authorities. *Croatian Yearbook of European Law & Policy*, *11*(1), 259-276. https://hrcak.srce.hr/151459

White House (2022). *Executive Order On Enhancing Safeguards For United States Signals Intelligence Activities*. https://www.whitehouse.gov/briefing-room/presidential-actions/2022/10/07/executive-order-on-enhancing-safeguards-for-united-states-signals-intelligence-activities

Content analysis of EU directives and regulations: legislative frameworks and consumer rights

Alexandra Gheorghiu ✉, **Cosmin Ungureanu**

Alexandru Ioan Cuza University of Iasi, Romania

Abstract: This study analyses the European Union's regulatory frameworks on data protection and consumer rights. It examines landmark legislations such as the General Data Protection Regulation (GDPR), the Data Governance Act (DGA), and others that shape data privacy, digital content management, and consumer protection across the EU. Utilizing Iramuteq software for content analysis, it identifies thematic clusters and relationships within the texts, uncovering core concepts like digital service conformity, consumer rights, and the role of public data governance. Through cluster and factor analysis, the study reveals how these legal instruments collectively promote data security, innovation, and market fairness while ensuring consistent consumer protection and legal compliance throughout EU member states.

Keywords: EU Directives, GDPR, data protection, consumer rights, digital economy

Introduction

The European Union has established a comprehensive regulatory framework to manage the complexities of data governance and digital services in the modern era. This framework fosters innovation while protecting consumer rights and ensuring data privacy, striking a careful balance between technological progress and strong personal data safeguards. Key regulations like the General Data Protection Regulation (GDPR) and the Data Governance Act (DGA) set international benchmarks for responsible data usage and transparency, promoting economic growth alongside ethical governance. These regulations serve as the foundation of the EU's approach to personal data protection, digital services, and market equity. This following analysis will explore the various legislative measures put in place by the EU to regulate the digital economy by examining how directives and regulations interact with one another to create a coherent legal framework that addresses the diverse challenges of digital transformation. The analysis was performed using the software Iramuteq. Iramuteq is an open-source software that specializes in textual data analysis, allowing researchers to explore bodies of text using a variety of statistical methods, including cluster analysis, correspondence analysis, and factor

---

✉ Centre for European Studies, Faculty of Law, Alexandru Ioan Cuza University of Iasi, Romania; e-mail: gheorghiu.anda@yahoo.com.

analysis. The software's capabilities make it particularly effective for identifying patterns, relationships, and themes within complex texts. The first methodological step involved importing the texts of the selected EU directives and regulations (separately) into Iramuteq, which processed the data to identify word frequencies and co-occurrences. This initial analysis provided a foundation for the subsequent cluster analysis, where Iramuteq grouped words and phrases that frequently appeared together into distinct clusters. These clusters revealed significant thematic connections, such as those related to consumer protection, digital content, and data privacy. The software's ability to display the clusters visually allowed for an interpretation of the relationships between terms. Finally, following the cluster analysis, a factor analysis was conducted using Iramuteq to reduce the complexity of the text data and identify underlying dimensions that structure the corpus of directives and regulations.

2. Directive analysis

The subsequent analysis relies on several directives and regulations linked to data, database creation, and data protection. Four directives were selected for this analysis: Directive 96/9/EC (Directive 96/9/EC on the legal protection of databases, n.d.) of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, Directive (EU) 2019/770 (Directive (EU) 2019/770 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services, n.d.) of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services, Directive (EU) 2019/771 (Directive (EU) 2019/771 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC, and repealing Directive 1999/44/EC, n.d.) of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC (Directive (EU) 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC, n.d.)[1], and repealing Directive 1999/44/EC, and Directive (EU) 2019/1024 (Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information, n.d.) of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information. Using these directives allows for a comprehensive approach to consumer protection (Directive (EU) 2019/770,

---

[1] Directive 2009/22/EC was replaced by Directive 2020/1828, however, at the time of the analysis, the corpus of the Directive 2009/22/EC was used

Directive (EU) 2019/771, and Directive (EU) 2019/1024) and data regulation (Directive 96/9/EC) in the EU. This multifaceted approach establishes a robust regulatory framework that promotes data integrity, consumer protection, innovation, and economic growth.

Directive 96/9/EC (Directive 96/9/EC on the legal protection of databases, n.d.) of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, establishes the legal framework for the protection of databases within the European Union. It defines a database as a collection of independent works, data, or materials systematically or methodically arranged and individually accessible by electronic or other means. The directive specifies that its protection does not extend to computer programs used in creating or operating databases but focuses instead on the database itself. The directive details two main types of protection: copyright protection for databases that constitute an author's own intellectual creation due to the selection or arrangement of their contents, and a sui generis right for databases that demonstrate a substantial investment in obtaining, verifying, or presenting contents. Copyright protection does not cover the data itself but the structure, selection, or arrangement of the database. Conversely, the sui generis right protects against unauthorized extraction and re-utilization of substantial parts of the database, regardless of the originality of its contents. The rights under the directive include control over reproduction, distribution, and public display of the database. Exceptions to these rights are allowed for specific purposes such as private use, teaching, public security, and certain judicial and administrative procedures, provided these do not unreasonably prejudice the legitimate interests of the rights holder. This ensures that while database makers enjoy a robust level of protection, users also retain certain freedoms to access and use the data for legitimate purposes. The directive also mandates that member states must provide appropriate legal remedies for any infringement of these rights and requires regular reviews to ensure the directive's application does not lead to market abuses or hinder competition.

Directive (EU) 2019/770 (Directive (EU) 2019/770 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services, n.d.) of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services, aims to ensure a high level of consumer protection and the smooth functioning of the internal market concerning contracts for the supply of digital content and digital services. It sets out common rules on the conformity of digital content or services with contracts, remedies for non-conformity or non-supply, and the conditions under which digital content or services can be modified. This directive encompasses various forms of digital content and services, including those allowing consumers to interact with data or integrate digital solutions into their own digital environments. The directive outlines specific definitions crucial for its application, such as 'digital content',

'digital service', and 'goods with digital elements'. It applies to any contract where a trader provides digital content or services in exchange for a price or personal data, except under specified exemptions such as healthcare and gambling services. It also details scenarios where digital content is integrated into consumer's digital environments, emphasizing compatibility, functionality, and interoperability requirements. In terms of consumer rights and trader obligations, the directive ensures that digital content and services conform to the contract at the time of supply and throughout their duration if meant to be supplied over time. Consumers are entitled to remedies such as repair, replacement, or price reduction if the digital content or services fail to meet contractual standards. Moreover, the directive stipulates conditions under which the consumer can terminate the contract, especially if the trader fails to supply the digital content or service or if there is a lack of conformity after a trader's attempt to rectify it. Finally, the directive places a significant emphasis on ensuring continuous conformity by requiring traders to provide necessary updates, including security updates. It also allows for modifications to digital content or services provided they are justified, do not incur additional costs, and are communicated clearly to the consumer. The directive stresses that any contractual terms disadvantaging the consumer compared to the protections offered by the directive are not binding. It sets a framework for the transposition of these provisions into national law by July 1, 2021, with application starting from January 1, 2022.

Directive (EU) 2019/771 (Directive (EU) 2019/771 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC, and repealing Directive 1999/44/EC, n.d.) of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC, and repealing Directive 1999/44/EC, focuses on enhancing consumer protection and ensuring the smooth functioning of the internal market through uniform rules on sales contracts. This directive replaces Directive 1999/44/EC and amends Regulation (EU) 2017/2394 and Directive 2009/22/EC. Its primary objective is to standardize the obligations and rights in sales contracts between consumers and sellers, specifically addressing the conformity of goods, available remedies for non-conformity, the exercise of these remedies, and the conditions surrounding commercial guarantees. The definitions set forth in the directive provide clarity on various terms such as "consumer", "seller", "goods", and "digital content", setting the scope for its application. It applies to all sales contracts where a consumer purchases goods from a seller for non-commercial purposes. The directive emphasizes that goods must meet specified contractual and objective standards at the time of delivery, including expected functionality, compatibility, and durability. It also specifically addresses goods with digital elements, acknowledging the increasing integration of digital technology in consumer goods. The directive

outlines the remedies available to consumers when purchased goods do not conform to the contract. These include the right to repair or replacement, a price reduction, or contract termination, under certain conditions. The seller is liable for any lack of conformity that becomes apparent within two years of delivery. For goods with digital elements, the directive mandates that sellers provide necessary updates to maintain conformity, highlighting the evolving nature of consumer products and the importance of ongoing support.

Directive (EU) 2019/1024 (Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information, n.d.) of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information, aims to advance the utilization of open data and bolster the innovation of products and services by setting minimum rules for the reuse of public sector information. This encompasses documents held by public sector bodies and public undertakings across the Member States, as well as certain research data under specified conditions. The directive explicitly excludes documents outside the public sector bodies' defined tasks, those for which third parties hold intellectual property rights, and sensitive data among others, ensuring that the reuse aligns with legal frameworks and respects private and sensitive information. Key definitions provided within the directive clarify terms such as "public sector body", "document", "research data", and "high-value datasets", which are essential for understanding the scope and application of the regulations. These definitions are critical for categorizing and standardizing the data that the directive covers, ensuring clarity and uniformity in the data available for reuse. The directive promotes the concept of "open by design and by default", encouraging public sector bodies to make documents accessible in open, machine-readable formats wherever possible. The directive establishes that, generally, the reuse of documents should be free of charge, but allows for the recovery of marginal costs related to the reproduction and dissemination of documents. It provides exceptions for public sector bodies that need to generate revenue to cover substantial parts of their costs, thus balancing public access to information with the financial sustainability of public services. Moreover, the directive encourages transparency in setting and calculating any charges for reuse, requiring public sector bodies to publish these details openly. Finally, Directive (EU) 2019/1024 mandates Member States to facilitate access to documents through various technical and administrative arrangements, including the development of asset lists and digital portals to enhance document discoverability. By July 2021, Member States are required to adopt all measures necessary to comply with the directive, ensuring that national laws align with its provisions. The directive also emphasizes the need for regular reviews and updates to adapt to technological and market changes, highlighting the dynamic nature of public data and its potential to drive innovation and economic growth within the EU.

As seen in Figure 1, several key word clusters have emerged by analyzing the four directives together. The "consumer" cluster seems extremely closely knit to words such as "conformity", "good", "trader", "applicable", but also with "digital", "content", "service" and "supply". These terms suggest that consumers have specific rights and the ability to exercise those rights under the contracts agreed upon with digital service providers. This reinforces the idea that EU legislation not only sets standards but also empowers consumers to actively ensure those standards are met, providing mechanisms for recourse in cases where digital services fail to comply with contractual obligations. The subsequent cluster leads with "European Union", "state member", "directive", "apply", "national", "law" and "provision." These terms emphasize the detailed legal mechanisms through which directives are transposed into national legislation. The Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases (Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, n.d.) is transposed in Romania through the law on copyright and related rights (Official publication: *Monitorul Oficial al României* ; Number: *60* ; Publication date: *1996-03-26* ; Page: *00002-00021*), the law amending and supplementing law no. 8/1996 on copyright and related rights (Official publication: *Monitorul Oficial al României* ; Number: *587* ; Publication date: *2004-06-30* ; Page: *00001-00024*), the emergency government ordinance amending and supplementing law no. 8/1996 on copyright and related rights (Official publication: *Monitorul Oficial al României* ; Number: *843* ; Publication date: *2005-09-19* ; Page: *00001-00016*) , and the law approving government emergency ordinance no. 123/2005 amending and supplementing law no. 8/1996 on copyright and related rights (Official publication: *Monitorul Oficial al României* ; Number: *657* ; Publication date: *2006-07-31* ; Page: *00002-00012*). The Directive (EU) 2019/770 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services translated into Romanian national legislation through Government emergency ordinance no. 141/2021 on certain aspects relating to contracts for the supply of digital content and digital services (Official publication: *Monitorul Oficial al României* ; Number: *1248* ; Publication date: *2021-12-30*) as well as the Government decision no. 372/2022 amending and supplementing the annex to Government decision no. 1.553/2004 on certain methods for terminating unlawful practices in the field of protection of collective consumer interests and the annex to Government decision no. 444/2020 on establishing the institutional framework and certain measures for implementing the provisions of article 5(1) of Regulation (EU) 2017/2,394 of the European Parliament and of the Council of 12 December 2017 on cooperation between national authorities responsible for enforcing consumer protection laws and repealing Regulation (EC) No. 2.006/2004 (Official publication: *Monitorul Oficial al României* ; Number: *276* ; Publication date: *2022-03-22* ; Page: *13*). Directive (EU) 2019/771 of the European Parliament and of the Council of 20 May 2019 on certain

aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC, and repealing Directive 1999/44/EC was transposed in the national legislation in the Government emergency ordinance no. 140/2021 on certain aspects relating to contracts for the sale of goods (Official publication: *Monitorul Oficial al României* ; Number: *1245* ; Publication date: *2021-12-30*) and the Government decision no. 372/2022 . Finally, the Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information was translated nationally into the law no. 179 of June 9, 2022 on open data and the reuse of information from the public sector (Official publication: *Monitorul Oficial al României*; Number: *57*; Publication date: *1001-01-01*). "Law" refers to the actual legal statutes enacted by member states while "provision" can indicate specific clauses or requirements within the directives that must be implemented.

This highlights the structured approach to ensure that all provisions of EU directives are incorporated into national laws effectively and uniformly. The cluster "public", "free", and potentially "body" (inferred as "public body") not only supports transparency and democratic engagement but also fosters an environment where public sector data can be utilized freely for educational, research, and other public interest projects. This approach encourages openness and the sharing of resources managed by public institutions, aligning with wider goals of government accountability and public empowerment.

Furthermore, the word "access" underscores the directive's intention to ensure that the free flow of information from public bodies is not just available but also easily accessible to the public, facilitating greater engagement and utilization of public sector resources for various legitimate purposes. The words "database", "legal", and "protection" form a cluster that deals specifically with the legal aspects of database management within the EU. This cluster emphasizes the protection of the structure, organization, and accessibility of databases, ensuring that database creators receive recognition and safeguarding of their intellectual property, while also balancing these protections with provisions for lawful access and use under specific circumstances. The dual mention of "public" (once with respect to general access to information and again with databases) signifies the balance the EU strives to maintain between protecting intellectual property and promoting innovation and public knowledge.

Figure 1. Overall representation of the cluster analysis on EU directives regarding data
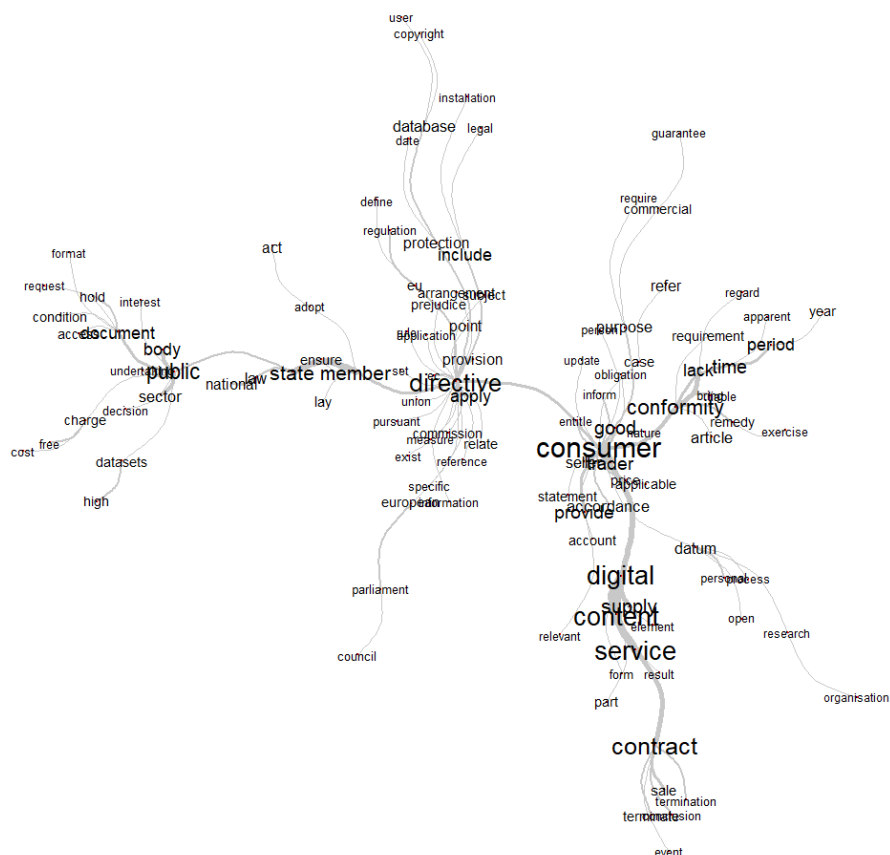
Source: authors' representation

Following this analysis, we aimed to explore and determine whether these directives could be grouped into a specific factor structure. The factor analysis revealed the presence of three main factors.

Figure 2. Factor structure for the directives on EU data regulation
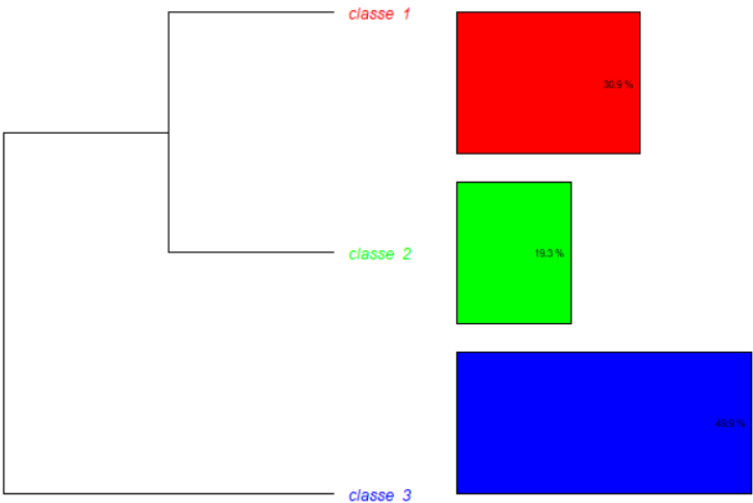
Source: authors' representation

  The factor structure highlights three different classes. The first (30.9%) and the second one (19.3%) are grouped together, while the third one, and the one explaining most variance (49%), is separate. We will begin analysing each factor.

  The first factor, explaining 30.9% of the whole variance, seems to regroup elements that are linked to law, directives, standards, and regulations. As seen in Figure 3, the terms "document", "datum", and "state member" are notably highlighted, suggesting a strong connection to the legislative texts and the mechanisms through which data and documents are regulated within the EU. Still central to the word cloud representing the first factor are the terms "directive" and "national", pointing to the process of transposition where EU directives are incorporated into the national laws of member states. The presence of "law" connected directly to these terms underscores the binding nature of these directives upon member states, necessitating a harmonized approach across the EU to ensure consistency in legal standards, especially concerning consumer protection and digital transactions. Adjacent to these terms are "public", "body", and "protection", which may refer to the public sector's role in implementing these directives and the protection afforded to citizens and consumers under these laws. Lastly, the word "electronic" links back to the emphasis on digital solutions and the electronic management of data across sectors, which is a key aspect of the modernized approach the EU takes towards digital content and services. This reflects an evolving legislative landscape that accommodates the rapid growth of digital technologies, aiming to protect personal data and regulate the digital market effectively. The cluster of terms in the word cloud effectively maps out the interconnected nature of

EU directives, national laws, public administration, and the overarching goals of data protection and accessibility within the European Union.

Figure 3. First factor extracted from the EU Directives
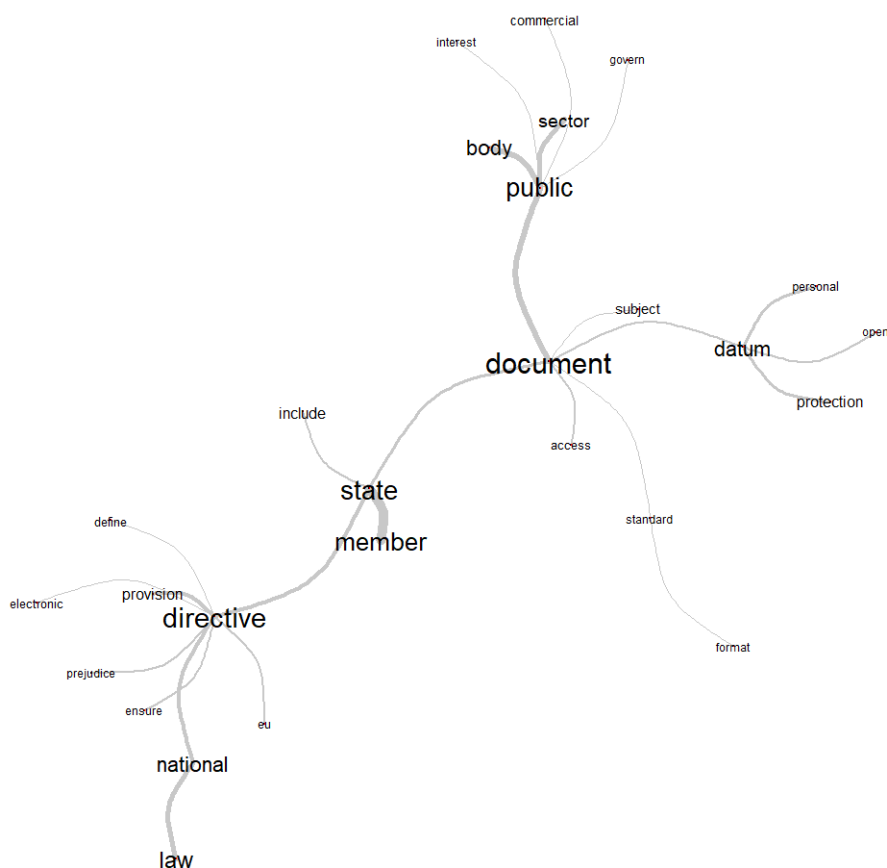
Source: authors' representation

The second factor extracted by the analysis can be visualized in Figure 4. Compared to the first factor, which primarily dealt with the legal frameworks and governance structure set by various EU directives, this second factor is more focused on the practical implications of these policies, specifically in terms of data management and accessibility within the public sector. The emphasis here is less on the legal mechanics and more on the operationalization of these laws through the standardization and dissemination of public sector information. This shift from legal structure to practical application highlights the directive's role in shaping how public

data is effectively managed and utilized, aiming to foster an environment where public sector information supports innovation, governance, and public engagement within the EU. Central to the visualization are terms like "datasets", "public", "sector", "body", and "document", which underscore the directive's focus on structuring public data in a way that facilitates broader access and utility. This directive aims to standardize how data is shared across different platforms within the public domain, making it available to various stakeholders, including educational and cultural institutions like universities, museums, archives, and libraries. These institutions are explicitly recognized as key holders of significant public datasets. The directive encourages these bodies to provide public access to their collections, thereby supporting educational, cultural, and research activities. In terms of economic implications, the words free", "charge", and "cost" reflect the directive's stipulations on the financial aspects of data access.

Figure 4. Second factor extracted from the EU Directives
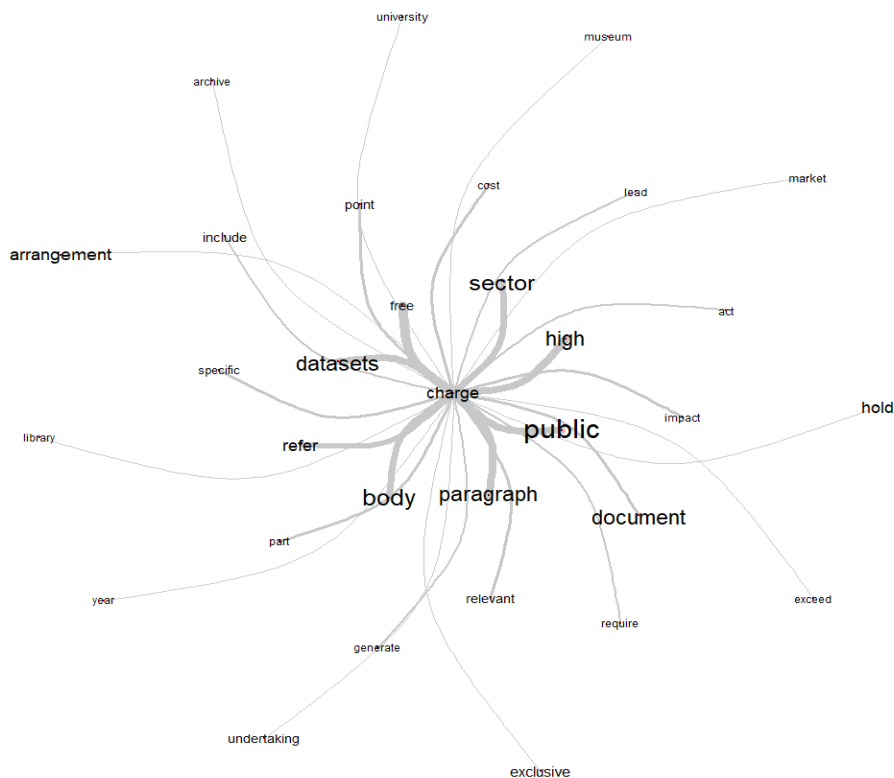
Source: authors' representation

The structure of the final factor can be analysed in Figure 5.

Figure 5. Third factor extracted from EU Directives
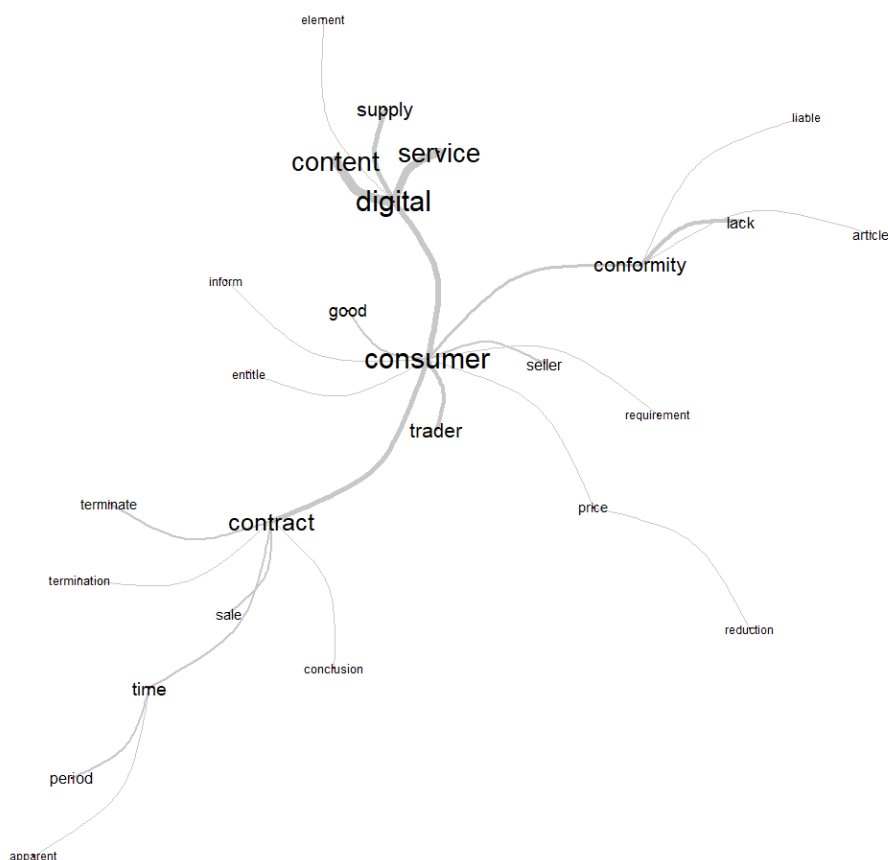
Source: authors' representation

The third factor extracted from the directives focuses on the contractual relationships and obligations between consumers, traders, and digital content or service providers, as evident from the central terms in the word cloud like "consumer", "contract", "trader", "digital", "service", and "content." This factor emphasizes the specific aspects of consumer rights, trader obligations, and the conformity of services and goods within digital transactions. These directives establish guidelines on the conformity of digital services and goods, the contractual standards between consumers and traders, and remedies available in instances of

non-conformity. Unlike the first factor, which primarily outlined the legislative and regulatory frameworks governing data protection and public sector information management, and the second factor, which focused on the accessibility and economic considerations of public sector datasets, this third factor delves into the dynamics of marketplace transactions specifically within the digital realm. It underscores how contractual terms are defined and enforced in the context of digital services and goods, highlighting the interactions between "consumer", "trader", and "digital content". Key terms like "conformity", "lack", "requirement", and "supply" point directly to the obligations of traders to meet specified standards of service quality and information as mandated by the EU directives. These include ensuring that digital content and services supplied to consumers conform to the agreed contractual descriptions and functionalities. The focus on "contract" and "termination" reflects the rights of consumers to terminate contracts under certain conditions, such as failure to comply with the terms or correct issues of non-conformity, which are stipulated under these directives. The word cloud also highlights terms such as "good", "price", and "reduction", which connect to the economic aspects of consumer transactions in the digital market. These terms suggest the consideration of pricing transparency and the potential financial remedies like price reductions when digital goods or services fail to meet contractual expectations.

3. Regulations analysis

The European Union has developed a robust regulatory framework to govern various aspects of data privacy, security, and digital markets. This framework is composed of several key regulations, each addressing specific sectors or challenges in the rapidly evolving digital landscape. Regulations such as the Data Governance Act, the Digital Markets Act, and the General Data Protection Regulation (GDPR), among others, play a critical role in shaping the legal environment for digital services, data use, and consumer protection within the EU. These regulations not only promote innovation and competitiveness but also ensure the protection of fundamental rights, particularly in relation to data privacy and security.

The Regulation (EU) 2022/868 of the European Parliament and of the Council of 30 May 2022 on European data governance and amending Regulation (EU) 2018/1724, known as the Data Governance Act (Regulation (EU) 2022/868 of the European Parliament and of the Council of 30 May 2022 on European data governance and amending Regulation (EU) 2018/1724, n.d.), establishes a comprehensive framework for data governance within the European Union. It focuses on conditions for the re-use of data held by public sector bodies, a supervisory framework for data intermediation services, and mechanisms for the registration of entities engaging in data altruism. Importantly, the regulation does not obligate public sector bodies to allow data re-use nor does it exempt them from confidentiality obligations under existing laws. This regulation is pivotal for

maintaining a balance between facilitating data access and ensuring compliance with data protection standards. The act also introduces the European data innovation board, enhancing collaboration and consistency across EU member states in data handling practices. This includes adherence to stringent data protection laws like GDPR (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC) and others that govern personal and non-personal data. The board's role underlines the EU's commitment to a unified approach in data governance, emphasizing the protection of personal data while fostering innovation and ensuring that data governance practices do not conflict with individual data rights. The Regulation (EU) 2022/868 is instrumental due to its integration with existing data protection frameworks and its emphasis on regulatory oversight. The act's provisions ensure that any processing of personal data within the governance framework respects the established privacy rights under EU law, making it a critical component in understanding the landscape of data privacy and security regulations in the EU.

The Regulation (EU) 2015/758 of the European Parliament and of the Council of 29 April 2015 concerning type-approval requirements for the deployment of the eCall in-vehicle system based on the 112 service and amending Directive 2007/46/EC (Regulation (EU) 2015/758 of the European Parliament and of the Council of 29 April 2015 concerning type-approval requirements for the deployment of the eCall in-vehicle system based on the 112 service and amending Directive 2007/46/EC, n.d.) could be used to examine how legislations that are not primarily focused on data protection still incorporate rigorous data privacy measures to comply with the EU's comprehensive privacy and data protection framework. This ensures that even regulations aimed at public safety and emergency response are designed in a way that respects and protects individual privacy rights. More specifically, regulation (EU) 2015/758, enacted by the European Parliament and Council on April 29, 2015, sets forth the type-approval requirements for the deployment of the 112-based eCall in-vehicle system across the European Union. This regulation mandates that all new types of vehicles, specifically categories M1 and N1 as defined in Directive 2007/46/EC, be equipped with the eCall system. This system is designed to enhance vehicular safety by ensuring that in the event of a severe accident, emergency services are automatically notified through the eCall system which uses the pan-European emergency number, 112. The eCall system can be triggered automatically by in-vehicle sensors during an accident or manually by vehicle occupants, thereby facilitating rapid response times from emergency services, potentially saving lives and reducing injury severity. A significant emphasis is placed on privacy and data protection within the framework of the eCall system. The regulation aligns with existing EU data protection directives to ensure that any personal data transmitted during emergencies is strictly used for the purpose of emergency handling. Manufacturers must incorporate privacy-enhancing

technologies to safeguard user data and prevent unauthorized tracking. The eCall system is designed to store only essential data temporarily, ensuring that data retention does not exceed the necessary duration for emergency response. These provisions underscore the EU's commitment to respecting individual privacy while leveraging technology to enhance public safety on roadways.

Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022 on contestable and fair markets in the digital sector and amending Directives (EU) 2019/1937 and (EU) 2020/1828 (Digital Markets Act) (Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022 on contestable and fair markets in the digital sector and amending Directives (EU) 2019/1937 and (EU) 2020/1828, n.d.), is designed to ensure fair and contestable markets within the digital sector across the European Union, particularly focusing on entities designated as "gatekeepers." These gatekeepers are large platforms that control core platform services, such as social networks, search engines, and online intermediation services, which are crucial gateways for businesses to reach consumers. The regulation aims to prevent these gatekeepers from exploiting their powerful market positions by setting out specific rules that ensure they engage in fair and open practices. The digital markets act introduces several key obligations for gatekeepers, such as prohibiting them from combining personal data across services without explicit consent, ensuring interoperability of services, and providing business users with access to their data. These measures are intended to increase competition and innovation by preventing gatekeepers from enforcing restrictive conditions that could disadvantage other market participants. Additionally, gatekeepers are required to notify the European Commission of certain mergers and acquisitions, which allows the Commission to assess the potential impact of such market consolidations on competition. In the context of data privacy and security, the digital markets act complements the general data protection regulation (GDPR) by addressing the specific challenges posed by the digital economy's scale and scope. The DMA regulates the processing of personal data beyond the GDPR's requirements by imposing additional controls on gatekeepers, such as limiting data combination and enhancing user consent protocols. This focus ensures that the expansive control of digital platforms does not undermine user privacy and encourages a more equitable digital market landscape. The regulation's provisions for data handling and platform interoperability make it a significant instrument in the broader analysis of EU data protection, privacy laws, and digital regulation, ensuring that major platform operators cannot bypass EU-wide protections afforded to individuals and businesses.

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing

of personal data and on the free movement of such data, and repealing Directive 95/46/EC, n.d.), known as the General Data Protection Regulation (GDPR), is a comprehensive data protection regulation that establishes guidelines for the collection, storage, and processing of personal data within the European Union. The regulation is designed to strengthen and unify data protection for all individuals within the EU, ensuring that their fundamental rights and freedoms, particularly their right to the protection of personal data, are safeguarded. The GDPR applies to both automated personal data and manual filing systems, where personal data are accessible according to specific criteria. A core component of the GDPR is its expansive scope, applying not only to organizations based within the EU but also to those outside the EU that process data related to offering goods or services to, or monitoring the behaviour of, EU data subjects. This wide-reaching applicability makes the GDPR a critical element in global data protection frameworks, as it mandates compliance from virtually any significant digital operation interacting with EU residents. The regulation sets forth principles for data processing—such as lawfulness, fairness, transparency, purpose limitation, data minimization, accuracy, storage limitation, integrity, and confidentiality—which must be demonstrably adhered to by data controllers and processors. The GDPR serves as a foundational text. It not only outlines the conditions under which personal data may be processed and transferred but also details the rights of data subjects, including access to data, correction, deletion (the right to be forgotten), and the right to object to data processing. The GDPR's provisions for data protection impact assessments, data protection officers, and significant penalties for non-compliance underscore its role as a stringent and influential framework in shaping global data protection practices. This regulation is indispensable for understanding the complexities and requirements of modern data privacy and security law in Europe and serves as a model for similar laws worldwide.

Regulation (EU) 2018/1807 of the European Parliament and of the Council of 14 November 2018 on a framework for the free flow of non-personal data in the European Union (Regulation (EU) 2018/1807 of the European Parliament and of the Council of 14 November 2018 on a framework for the free flow of non-personal data in the European Union, n.d.) enacted on November 14, 2018, establishes a framework to ensure the free flow of non-personal data within the European Union. This regulation is crucial as it addresses data localization requirements, aiming to prohibit restrictions imposed by member states that mandate data storage and processing within their territories unless justified by public security. It is designed to bolster the data economy by making non-personal data more accessible and usable across the EU, which is pivotal for enhancing competitiveness and innovation within the single market. A key aspect of this regulation is the facilitation of data availability for professional users and the competencies of authorities to access data for regulatory or official duties. It mandates that any access restrictions cannot be based on where data is stored or processed within the EU, ensuring that businesses and

services operate more fluidly across national borders. This is particularly relevant in a digital single market, as it supports a cohesive digital economy, reduces operational hindrances, and increases efficiency. The regulation is also significant in the context of comprehensive data regulation within the EU, particularly in relation to the General Data Protection Regulation (GDPR), which governs personal data. Regulation (EU) 2018/1807 clarifies procedures for data sets composed of both personal and non-personal data, ensuring that the free flow of non-personal data does not compromise personal data protection standards. This dual-framework strengthens the overall data governance within the EU, making Regulation 2018/1807 a critical component in the analysis of EU-wide data privacy, security, and regulatory practices, enhancing the understanding of how non-personal and personal data interact within the regulatory landscape.

Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC (Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC, n.d.), commonly referred to as the Digital Services Act, sets out a comprehensive framework aimed at ensuring a safe, predictable, and trusted online environment within the EU's digital single market. This regulation specifically targets intermediary services, focusing on harmonizing rules across the EU to enhance consumer protection and uphold fundamental rights. One of the regulation's key features is the conditional exemption from liability for providers of intermediary services, paired with specific due diligence obligations tailored to certain categories of providers. This framework aims to balance the facilitation of innovation and business activities online with stringent consumer protection and privacy standards. The digital services act's scope includes all intermediary services provided in the EU, regardless of the provider's location, ensuring that even non-EU based companies must comply when serving EU residents. This broad applicability signifies a major step towards regulating the digital space effectively across international borders, addressing issues such as illegal content, transparency, and fairness in digital services. Importantly, the regulation details mechanisms for cooperation and coordination among EU member states, ensuring that enforcement is uniform and effective across the single market. The digital services act complements existing regulations like the GDPR by reinforcing the responsibilities of digital service providers in protecting user data and promoting transparency. The regulation mandates clear terms and conditions, outlines processes for content moderation, and establishes robust measures against illegal content, all while emphasizing the need for respecting user privacy and providing clear mechanisms for redress and compliance. For scholars and policymakers analyzing main regulations on data privacy and security, the digital services act offers a pivotal case study on the EU's approach to modernizing and securing the digital market in alignment with its fundamental rights and values.

Figure 6. Graph Analysis on EU Regulations regarding data

Source: authors' representation

The ensemble of EU regulations discussed provides a comprehensive overview of the European Union's systematic approach to digitalization, highlighting a deep commitment to both innovation and the safeguarding of fundamental rights. These regulations collectively address the multifaceted aspects of digital transformation within the EU, from ensuring personal and non-personal data flow freely and securely across member states to establishing a secure digital environment for consumers and businesses alike. For instance, the General Data Protection Regulation (GDPR, Regulation 2016/679) sets a benchmark globally for the protection of personal data, ensuring data privacy remains a priority amidst the digital economy's expansion. Similarly, the Free Flow of Non-Personal Data Regulation (2018/1807) complements the GDPR by facilitating the unrestricted movement of non-personal

data, thus fostering a competitive data economy and innovation. Moreover, the introduction of sector-specific regulations like the eCall Regulation (2015/758) and the Digital Markets Act (2022/1925) reflects the EU's tailored approach to addressing unique challenges within different digital sectors. The eCall Regulation enhances safety through digital technologies, mandating all new vehicles to be equipped with an automatic emergency call system, while the Digital Markets Act targets large online platforms to ensure they operate fairly, promoting contestable and fair digital markets. The Data Governance Act (2022/868) further supports this ecosystem by setting out measures to enhance trust in data sharing and the re-use of public sector information, crucial for AI and machine learning advancements. The comprehensive nature of these regulations ensures that the EU not only adapts to digital advancements but also proactively shapes the digital landscape to reflect its core values of fairness, safety, and respect for individual rights.

As seen in Figure 6, the centrality of "datum/data" underscores the core importance of data in the digital economy within the EU legislative framework. This highlights the EU's focus on data as a crucial asset that drives not only economic activities but also impacts consumer protection, privacy, and digital services. The surrounding terms such as "provider", "trader", and "platform" suggest a focus on entities that handle, process, or utilize data in their operations. The network suggests a structured approach to understanding how regulations influence member states and the entities operating within them, reflecting the governance and compliance mechanisms set by the EU. Providers of digital content and services are under stringent obligations to ensure that their offerings meet the specified criteria for quality, safety, and consumer rights protection as laid out in the regulations. This encompasses not only the provision but also aspects like the right of consumers to receive updates and how these services integrate into the wider digital environment of the user, addressing interoperability and compatibility. Looking at the surrounding terms such as "regulation", "compliance", and "monitor", the map encapsulates the legislative lifecycle—from the creation of regulations at the EU level to the practical aspects of compliance by affected entities. This highlights a multi-layered governance approach where EU regulations set the framework and are directly applicable across member states, ensuring uniformity in application. The presence of terms like "enforcement" underscores the role of national regulatory bodies in ensuring that the regulations' stipulations are met and maintained. Another significant aspect evident from the map is the emphasis on consumer rights and protections, particularly in the context of digital transactions and data usage. Terms like "consumer", "user", and "rights" reflect the EU's strong focus on protecting consumer interests in the digital age. This is particularly relevant in regulations that outline how consumers should be treated in terms of contract conformity, what remedies are available in cases of non-conformity, and how consumers' data must be handled by providers.

By using a factor analysis on the directives presented above, we were able to identify a a factor structure that is represented below (Figure 7). The factor structure explains 93% of variance and has three main factors.

Figure 7 – Factor analysis structure of EU Regulations regarding data
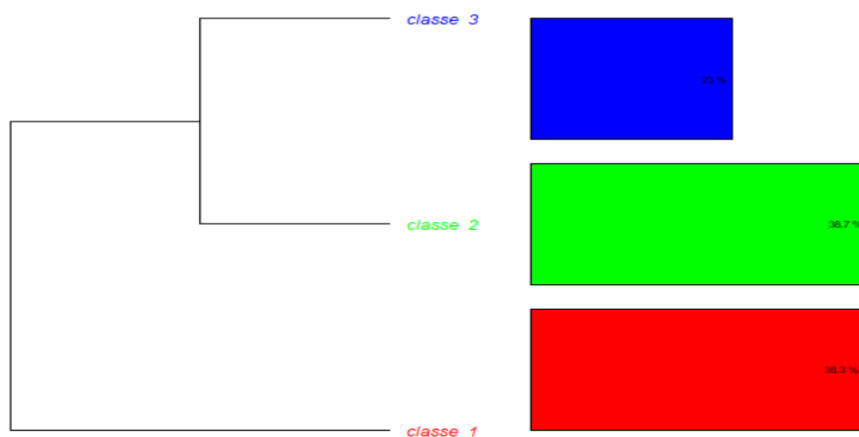
Source: authors' representation

The first factor explains 38.3% of the variance and revolves around "personal data", reported here as "datum." The word cloud reveals a dense network of terms that highlights key concepts in data protection, digital content, and consumer rights within the EU legislative framework. Central to this network is "datum", surrounded by terms like "personal", "subject", "process", and "controller", which signify the foundational elements of data protection laws. This arrangement underscores the emphasis on personal data, indicating how it should be processed, the roles of data controllers (entities that determine the purposes and means of processing personal data), and the rights of data subjects (individuals whose personal data is processed). Surrounding these central terms are clusters that include "legal", "protection", "right", "requirement", and "security." These terms connect closely with the legislative intent to safeguard personal data, ensuring that data processing adheres to legal standards that protect individual rights. The presence of "security" highlights the requirement for technical and organizational measures to protect data against unauthorized or unlawful processing, accidental loss, destruction, or damage. This reflects the regulations' focus on not just the legality of data handling but also the practical aspects of data security and integrity. Another prominent cluster features terms like "national", "member", "state", "law", and "public." These terms suggest the interaction between EU-wide regulations and national laws, highlighting the role of member states in implementing and enforcing EU regulations within their own legal frameworks. The reference to "public" and "state" indicates the involvement

of state bodies in the administration of these laws, which could include public access to information, state oversight of data protection practices, and the handling of data in public sector operations.

Figure 8. First factor extracted from the EU regulations regarding data

Source: authors' representation

Lastly, terms like "directive", "EU", "international", "union", and "administrative" reflect the broader context in which these regulations operate. The use of "directive" points to the form of legislation that requires member states to achieve a particular result without dictating the means of achieving that result. This network of terms paints a comprehensive picture of the EU's legislative approach, emphasizing data protection as a pivotal aspect of the digital single market, shaped by a complex interplay of legal, security, and administrative considerations.

The second factor that was extracted explains 38.71% of variance and is mainly focused on legislative actions, such as adoption, procedures, etc. Figure 9 highlights the main connections between the terms associated with factor 2. The word cloud appears to focus heavily on the procedural and regulatory aspects of EU legislation, particularly highlighting the roles and processes that govern the implementation and enforcement of regulations. Central to the diagram are the terms

"Commission", "regulation", and "adopt", which together suggest a primary focus on the European Commission's role in developing and formalizing regulations that are then adopted across member states. This process underscores the European Commission's pivotal role in initiating legislative actions that are aimed at harmonizing practices across the EU, maintaining oversight, and ensuring that the regulations are effective and proportionate to the goals they aim to achieve.

Figure 9. Second factor extracted from the EU regulations regarding data

Source: authors' representation

Around these central terms, other significant terms like "member", "state", "authority", and "national" reflect the multi-layered governance structure of the EU, where directives from the Commission must be transposed into national laws by member states. This transposition process requires member states to not only adopt the EU-wide regulations but also tailor their application to fit within their own legal frameworks and administrative practices. The terms "enforce" and "implementation" nearby further suggest the necessary actions taken by national authorities to ensure that these directives are applied effectively within their

jurisdictions, highlighting the collaborative yet complex nature of EU legislative enforcement. The terms "digital", "investigation", and "enforcement" hint at specific regulatory focuses, likely referring to the directives related to digital content and services, and data protection. This indicates ongoing efforts to address the challenges of the digital single market, such as privacy, data protection, and the security of digital transactions. The inclusion of "investigation" and "enforcement" reflects the rigorous processes involved in monitoring and ensuring compliance with these regulations, particularly in a digital context where rapid technological advancements can often outpace legislative updates.

Figure 10. Third factor extracted from the EU regulations regarding data
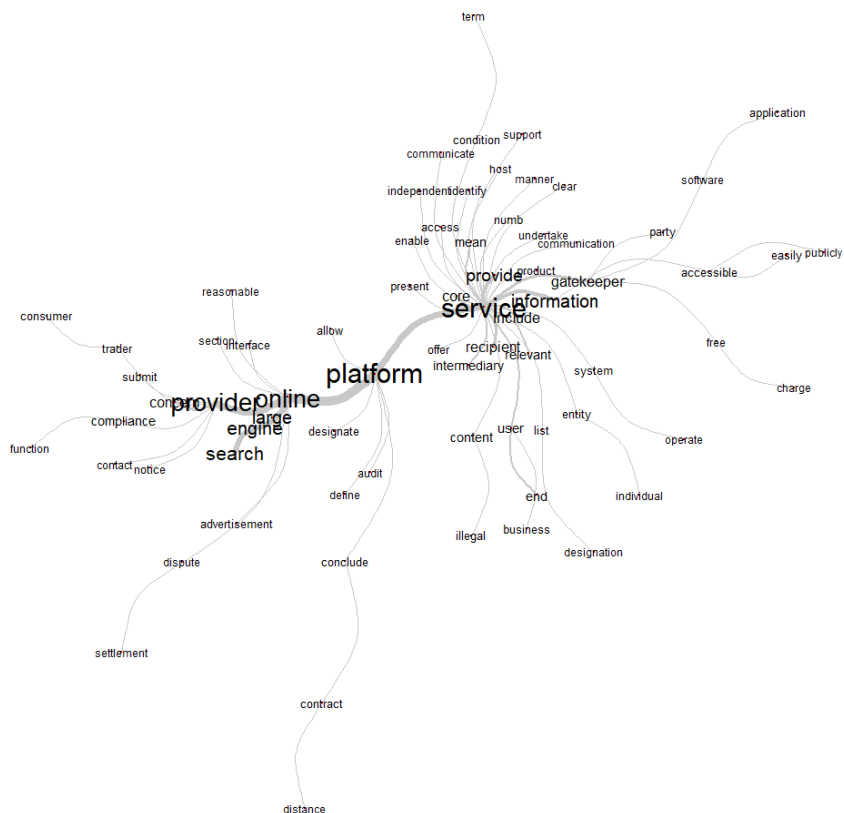
Source: authors' representation

The third and last factor extracted explains 23.01% of the variance and capture elements central to the European Union's directives concerning digital platforms and

services, emphasizing interactions among providers, consumers, and the regulatory frameworks governing these relationships. At the heart of the cloud (Figure 10), terms like "service", "provider", "platform", and "online" are prominently featured, highlighting the focus on digital service platforms—entities that offer various online services to consumers. This includes everything from cloud services to social media platforms, reflecting the broad scope of the EU's digital market regulations. Surrounding these central terms are "search", "engine", and "large", which may refer to the major search engines and large online platforms that dominate the market. This points towards regulatory interests in how these platforms operate and interact with both users and smaller businesses, ensuring they engage in fair practices and comply with EU data protection and consumer rights laws. The presence of "audit", "compliance", and "contract" suggests mechanisms through which these regulations are enforced, indicating that platforms must adhere to specific standards and are subject to periodic reviews and audits to ensure their operations remain within legal bounds. Additionally, the word cloud includes terms like "consumer", "trader", and "intermediary", which delineate the different roles within the digital economy. Consumers are the end-users of services, traders could be businesses utilizing platforms to reach consumers, and intermediaries might be the platforms themselves or third-party services that facilitate transactions or content delivery. This tripartite relationship underscores the complex interactions that EU directives aim to regulate, focusing on transparency, fairness, and data security within these engagements.

These regulations aim to foster a balanced ecosystem in which technological advancement and innovation can progress within a framework that considers human rights, privacy, and ethical standards. The EU's legislative environment could potentially serve as a model for other regions, illustrating how thoughtful regulation might support the digital economy while safeguarding individual and collective interests. This comprehensive approach is important for any in-depth analysis of laws regarding digitalization in the EU, suggesting ways in which laws might evolve to meet technological challenges while striving to ensure the security, privacy, and well-being of all stakeholders in the digital domain.

Conclusion

In conclusion, the factor analysis of both the directives and regulations revealed some overlapping themes but it also highlighted distinct differences in their focus areas. In the directives, a key emphasis is placed on the harmonization of legal frameworks across member states, particularly concerning consumer protection and the operationalization of data governance within the public sector. Similarly, the regulations analysis emphasizes data protection and privacy as a central concern. However, while the directives focus more on the foundational legal structures and their implementation, the regulations analysis gives significant weight to the operational details of compliance, including how digital platforms and service

providers must adhere to strict rules governing data use and consumer interactions. Both analyses converge on the importance of consumer protection and data security, but the directives tend to focus on structuring frameworks and defining rights, whereas the regulations concentrate more on enforcement, compliance, and the operational mechanisms necessary to protect those rights in the digital marketplace.

References

Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information. (n.d.). https://eur-lex.europa.eu/eli/dir/2019/1024/oj

Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information. (n.d.). https://eur-lex.europa.eu/eli/dir/2019/1024/oj

Directive (EU) 2019/770 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services. (n.d.). https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32019L0770

Directive (EU) 2019/770 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services. (n.d.). https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32019L0770

Directive (EU) 2019/771 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC, and repealing Directive 1999/44/EC. (n.d.). https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32019L0771

Directive (EU) 2019/771 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC, and repealing Directive 1999/44/EC. (n.d.). https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32019L0771

Directive (EU) 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC. (n.d.). https://eur-

lex.europa.eu/legal-
content/EN/TXT/?uri=CELEX%3A32020L1828&qid=1730728253078

Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases. (n.d.). https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=celex:31996L0009

Directive 96/9/EC on the legal protection of databases. (n.d.). https://eur-lex.europa.eu/legal-content/EN/LSU/?uri=celex:31996L0009

Directive 96/9/EC on the legal protection of databases. (n.d.). https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=LEGISSUM:l26028

Regulation (EU) 2015/758 of the European Parliament and of the Council of 29 April 2015 concerning type-approval requirements for the deployment of the eCall in-vehicle system based on the 112 service and amending Directive 2007/46/EC. (n.d.). https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32015R0758

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC. (n.d.). https://eur-lex.europa.eu/eli/reg/2016/679/oj

Regulation (EU) 2018/1807 of the European Parliament and of the Council of 14 November 2018 on a framework for the free flow of non-personal data in the European Union. (n.d.). https://eur-lex.europa.eu/eli/reg/2018/1807/oj

Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022 on contestable and fair markets in the digital sector and amending Directives (EU) 2019/1937 and (EU) 2020/1828. (n.d.). https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32022R1925

Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC. (n.d.). https://eur-lex.europa.eu/eli/reg/2022/2065/oj

Regulation (EU) 2022/868 of the European Parliament and of the Council of 30 May 2022 on European data governance and amending Regulation (EU) 2018/1724. (n.d.). https://eur-lex.europa.eu/eli/reg/2022/868/oj

Unlocking financial data

Alexandru Chistruga ✉

Alexandru Ioan Cuza University of Iași, Romania

Abstract: The current research will concentrate on a legislative proposal that is awaiting approval, namely the proposal for a regulation of the European Parliament and of the Council on a Framework for Financial Data Access. The proposed legislation seeks to establish rules governing the use, sharing, and access of certain categories of customer data in financial services, such as mortgage credit agreements, loans, investments in financial instruments, or pension rights. We understand the European Union's desire to establish a framework for access to financial data, especially since access to data would allow businesses to offer tailored products to customers based on the information they collect, but the regulation, at least in its current form, entails a number of obvious risks. For instance, investors specializing in recovering non-performing loans, also referred to as vulture funds, would obtain a plethora of information, facilitating the identification of debts suitable for effective enforcement. Therefore, the proposed regulation appears to be a lifeline for vulture funds, increasing their efficiency rather than eliminating them, even though, as we will show, their practices may be regarded as unethical.

Keywords: data economy, framework for financial data access, vulture funds

Introduction

The purpose of this paper is to analyse the provisions of the European Parliament and Council's Proposal for a Regulation on a Framework for Financial Data Access. Special emphasis will be placed on the possible opportunities for vulture funds following its implementation. Consequently, the article will be structured into two parts. The first section will explain the concept of vulture funds, while the second will concentrate on the proposed regulation, identifying the most important dangers to individuals affected by vulture fund activity.

Before anything else, we note that vulture funds' activities have been examined and debated in the academic community (Fisch et al., 2004; Megliani, 2018; Wozny, 2018). However, the majority of studies prioritize vulture funds that target sovereign state debts (Blackman et al., 2010; Brutti, 2020; Sample, 2014). In other words, there are few authors who analyse the impact of vulture funds on private companies or individuals. For instance, recent studies about the category of vulture

---

✉ PhD Student, Faculty of Law, Alexandru Ioan Cuza University of Iași, Romania; e-mail: alexandruchistruga98@gmail.com.

funds that deal with private companies have predominantly concentrated only on the case of Sears Holding Corporation (Lehavy et al., 2011; Stowell et al., 2017), which demonstrates that this topic has not been thoroughly analysed.

As a result, the purpose of this research is to contribute to the analysis of understudied types of vulture funds, primarily those that purchase private non-performing loan contracts. In this sense, as the European Union prepares to establish a framework for financial data access, we anticipate that this category of vulture funds will play a larger role in the global economy. Furthermore, given the existing lack of research on the proposed legislation, this report tries to identify important risks that may require attention.

1. Unveiling the vulture funds. Definition and analysis

Significant acquisitions usually require signing loan contracts. These loans typically have longer payback terms and mortgage-style collateral guarantees. For example, a family wishing to buy an apartment might be eligible for a mortgage with a payback period up to 25 years. This long-term loan helps the family spread the cost of the apartment over a longer period of time, making monthly payments easier to manage. In a similar vein, companies frequently seek loans to buy equipment and fund expansion. This enables them to invest in infrastructure, increase manufacturing capacity, upgrade technology, and fund other important initiatives without using significant sums of their own resources.

Given these circumstances, there is a risk that unexpected events during the loan repayment period will damage the borrowers' financial situation, making it more difficult for them to meet their payment obligations. In this regard, recent global events such as the COVID-19 crisis and the war in Ukraine have significantly affected individuals and private businesses. Due to these unanticipated circumstances, some borrowers have had to renegotiate loan contracts as the rates have dramatically increased, damaging them.

Those who failed to renegotiate their loan arrangements went bankrupt, hurting both borrowers and commercial banks. In such cases, banks try to enforce credit agreements through foreclosure, a legal process that enables them to recover lent money. However, not all credit agreements include such guarantees, leading to unpredictability in the debt collection process. As a result, banks are forced to choose between pursuing debt recovery through legal action, which incurs attorney fees, time costs, and potentially lengthy execution periods, and selling non-performing loans on the secondary capital market.

Even so, not every creditor will be willing to buy credit contracts that are clearly non-performing. So, banks are forced to sell these contracts at a significant discount in the secondary capital market. This strategy allows them to recover part of their loaned funds. However, the number of creditors willing to purchase such

credits is limited, with speculative investment funds (also known as vulture funds) being the most widespread.

Vulture funds are defined as investment entities *"that buy up distressed sovereign debt at a low price and seek to secure a high return"* (Sookun, 2010). Another author says that the vulture fund business model consists of purchasing distressed debt on the secondary market, often at a steep discount, with the intent of suing or threatening to sue in order to recover the full amount (J.E. Fisch, 2004, pp. 1048-1116). So, vulture funds are investment funds that buy non-performing financial securities issued by distressed states or private companies on the secondary capital market with the intention of enforcing their claims either by blocking the debt restructuring procedure or by taking legal action in court (Soufraki, 2020). In general, the return on investment is the difference between the amount spent on purchasing financial assets and the actual price received from the debtor state or company. If a debtor fails to fulfil their obligations, the profit is made up of the interest that accrued until the end of the litigation.

According to the definitions, vulture funds are classified based on their "victims," with some focusing on acquiring government or municipal bonds issued by states as they approach default, while others target struggling private companies. In this study, we are going to focus only on vulture funds that target private companies or individuals.

1.1. Vulture funds: *modus operandi*

Vulture funds' strategies vary depending on their objectives. Personal loans have limited potential earnings, with credit contracts worth only thousands of euros. As a result, vulture funds prefer to buy mortgage-backed credits, the enforcement of which may grant them ownership rights to mortgaged properties, either directly or through affiliated companies. In some jurisdictions, such efforts have resulted in vulture funds obtaining ownership of a significant number of apartments, which helps them raise rental prices (Bulfin, 2023).

When dealing with private companies, vulture funds take a different approach, often seeking higher returns. Their first goal is to acquire debts from creditors of bankrupt firms, after which they adopt a passive strategy (M.J.P. Anson et al., 2011, pp. 313-342) and wait until the debtor's financial situation improves (Brutti, 2020, pp. 1819-1854). Vulture funds typically stay out of the bankruptcy process, even though they have the potential to influence debt restructuring. If a company's financial situation does not improve, they may decide to sell all their assets, often at a higher price than they first invested.

The most well-liked method used by vulture funds to acquire corporate debt is credit contract purchases. Unwilling to wait for debt restructuring, creditors sell these contracts for much less than they would have received if the debtors had completed their obligations (Casa et al., 2008 pp. 1-25). Due to the sellers' steep

discounts, vulture funds are able to purchase the debt of numerous companies at a low cost.

Even in these conditions, vulture funds use their financial resources more prudently to minimize losses. They reduce their risks by purchasing loans from a range of companies. A single business's economic revival can greatly increase investment profitability, even if the other companies go bankrupt. At the same time, vulture funds prefer investing in companies with significant tangible assets that could be sold. Remarkably, a subset of vulture funds seeks bigger returns—between 12% and 15%—by purchasing the riskiest debts without planning to engage in the bankruptcy process (M.J.P. Anson et al., 2011, pp. 313-342). These funds typically pay an insignificant price for credit contracts that are supposed to be extremely difficult to enforce. If the companies start paying their debts, the vulture funds could make a huge profit.

Nowadays, vulture funds have changed their strategy, doing more than just buying debt and adopting a passive position (Zane, 2016, pp. 1-4). They developed a number of strategies with the purpose of improving profitability. For example, several vulture funds are accumulating at least one-third of a company's debt in order to block bankruptcy proceedings (Casa et al., 2008 pp. 1-25). These funds choose debts meticulously, taking advantage of creditors who are inclined to sell their unpaid debts at a huge discount. After acquiring a significant amount of debt, vulture funds start to negotiate restructuring terms, managing to obtain advantageous conditions even at the expense of the other parties involved.

However, in most cases, decisions made by vulture funds are insufficient to rescue the company, so they have to take more aggressive actions. For example, the new management starts to implement cost-cutting measures such as property leasing or contracting loans from companies affiliated with vulture investors. While these tactics may result in short-term economic gains that allow vulture funds to return their investments, they usually indicate the company's approaching collapse (Liberto, 2022).

We emphasize that vulture funds require comprehensive information about debtors in order to operate efficiently. In this regard, they have to identify the insolvent company before acquiring majority ownership. The procedure is usually simple because most countries have public sources that allow interested parties to get the names of companies involved in insolvency proceedings. For example, in Romania, this type of information could be found in the National Trade Registry Office's Insolvency Proceedings Bulletin, which is a public registry. After spotting a potential victim, vulture funds start to accumulate detailed information about the company's debts, creditors, and chances of recovery. This critical information is available through insolvency documents, which include reports from court liquidators summarizing the list of claims against the company and their holders. In addition, liquidators inventory the company's assets, providing vulture funds with vital information on its holdings.

2. Vulture funds in action: Kmart corporation case

Kmart Corporation is one of the most notable cases that involves each of the previously listed stages. Kmart Corporation filed for bankruptcy on January 22, 2002, under Chapter 11 of the US Bankruptcy Code, in the Northern District of Illinois (In re Kmart Corp, 2006). Kmart was the third-biggest discount retailer in the US at the time, with over 2,100 locations across the globe (Gilson, S.C., Abbott S., 2010, pp. 115-127).

Starting in the spring of 2002, an investment fund called ESL Investments began purchasing Kmart debt. The pattern persisted until the summer of 2002, when ESL Investments purchased Kmart's corporate bonds at much lower interest rates due to the bankruptcy proceedings. In addition, ESL Investments took a significant part of non-performing loans from other e-creditors. Furthermore, ESL Investments and Third Avenue, another investment fund, granted a loan of around $140 million in exchange for 14 million shares of the reorganized company (S.C. Gilson, 2008, pp. 115-127).

As a result, by the summer of 2002, ESL Investments had obtained more than a billion dollars in financial securities, a sufficient amount of debt that provided it with the opportunity to participate in the Financial Institutions Committee, which made decisions about the company's restructuring (Delventhal, 2022). Kmart's restructuring plan was accepted in the spring of 2003. After the company emerged from bankruptcy, Eddie Lampert, the founder of ESL Investments, became CEO (Lehavy et al., 2011, pp. 391-419).

In a short time, the company implemented a number of structural adjustments that led to a $276 million profit in a year. Furthermore, in November 2004, Kmart merged with another big retailer, Sears, with Eddie Lampert taking charge of the newly formed Sears Holdings Corporation. The merger was possible because ESL Investment held the controlling stake in Kmart Corporation, as well as 10% of the shares issued by Sears (J. Bienenstock, 2019).

From the information presented, it follows that in 2003, ESL Investments took over a company with nearly one billion dollars in debt. In a relatively short period, the company managed to repay the accumulated debts, starting 2004 with a profit of over $200 million. Moreover, less than two years after emerging from insolvency, Kmart Corporation merged with another company, increasing the number of managed stores to over 3,500 (Stowell et al., 2017, pp. 1-22). The result is exceptional, with Kmart Corporation serving as one of the few examples demonstrating that the activities of vulture funds can be beneficial. We draw attention that there were no other creditors involved in restructuring Kmart Corporation's accumulated debt. Without the intervention of ESL Investments, Kmart Corporation, a company created in 1962, would have gone bankrupt, resulting in the closure of the 2,100 stores under its management, an event that would have had a direct impact on the United States economy.

2.1. Maximizing returns: how vulture funds extract value

Obviously, the billions of dollars invested by ESL Investments in the acquisition of Kmart Corporation needed to be paid back. In this regard, starting from 2004, Eddie Lampert initiated a drastic cost-cutting campaign, like firing a huge portion of employers or selling properties. At the same time, Sears Holding Corporation began borrowing from Edi Lampert's associated companies. In addition, in a letter to investors, Lampert stated that he would engage in stock buybacks rather than constructing and renovating facilities (Peterson, 2017). For example, between 2005 and 2010, Sears Holdings spent nearly $5.8 billion on stock buybacks, while the company's earnings were only $3.8 billion (Naidu-Ghelani, 2018). Despite a significant increase in stock price, the company's real earnings decreased from $51 billion in 2006 to $22 billion in 2016 (Sabanoglu, 2022).

To fund these buybacks, Sears Holdings liquidated key assets. As an illustration, the corporation sold the Sears Hometown and Craftsman brands for only $900 million, despite their estimated value of $2 billion (Pandy, 2018). Sears Holdings also sold the land where 266 of its most profitable stores were located for $2.58 billion, which was less than the estimated market value (M. Gietzmann et al., 2017, pp. 1-27). However, the parties did not limit themselves to the sale of the land. Lampert's goal was to obtain additional income from rents. In this regard, the most profitable stores owned by Sears were located on the sold land, forcing the company to choose between closing them or signing lease contracts for the land they previously owned (Dayen, 2018). Obviously, Sears Holdings Corporation could not afford to give up the profit brought by the 266 stores, so it was forced to accept the unfavourable conditions imposed by Seritage Growth Properties (Peterson, 2017).

In the mentioned lease contracts, a series of clauses were stipulated that granted the lessor the right to re-rent 50% of the land to other companies without Sears Holdings Corporation being able to object in any way. Additionally, all contracts included penalty clauses obligating the lessee to pay an amount equivalent to 12 months' rent if they decided to close the stores located on the leased land (Richter, 2019). Given these circumstances, Sears Holdings Corporation was forced to pay the rent even when the stores were no longer profitable, as bearing the penalty clause was far too burdensome. This transaction was carried out with Seritage Growth Properties, another ESL Investments-controlled entity, so Eddie Lampert was the direct winner (Peterson, 2017).

We believe Lampert's control of Sears allowed for these harmful transactions to occur. Any good-faith administrator would have recognized the negative effects of selling such vital assets. In addition to selling assets, Sears Holdings made loans, with its largest creditor being ESL Investments. Between 2012 and 2018, Sears Holding borrowed more than $2.6 billion in loans backed by mortgages on its assets from ESL Investments (J. Bienenstock, 2019). Loans typically had a minimum interest rate of 10% and a one-year maturity period. However, Eddie Lampert didn't

limit himself to providing loans through ESL Investment. He also funded Sears Holdings Corporation through other firms under his control. For example, "the Sparrow Lenders" issued mortgage-secured loans totalling more than $624.2 million (Hove et al., 2019, pp. 1-168). The substantial debts and lack of profit resulted in a more than 95% reduction in stock value, which fell to 50 cents per share by 2018.

As a result, on October 15, 2018, Sears Holdings Corporation declared bankruptcy, claiming $6.9 billion in assets and more than $11.3 billion in debt (Kroll, 2018). The vast majority of loans from Lampert-affiliated companies were secured by mortgages, giving them priority in liquidation. Thus, for these funds, bankruptcy constituted a new financial opportunity.

In conclusion, the Sears Holdings Corporation case exemplifies how vulture funds can exert influence over businesses. Eddie Lampert's activities were typical of these funds, resulting in short-term profits for investors but causing long-term damage to the firm. The funds managed by him acquired Kmart Corporation's debts at a considerable discount, gaining control over the company. To emerge from insolvency, Eddie Lampert, as the administrator of Kmart Corporation, adopted a series of favourable short-term decisions, accumulating sufficient funds to merge with Sears. Subsequently, to recover his investments, Eddie Lampert began to promote a series of decisions that were catastrophic for the future of Sears Holdings Corporation but profitable for the investment funds he controlled. These decisions included selling assets, reducing staff, accumulating loans, and closing over 2,000 stores in less than 10 years (Spross, 2018).

Sears Holdings Corporation later sued Lampert, accusing him of draining billions of dollars from the company while he was CEO. The parties reached an agreement that assumes the Sears company will earn only 175 million dollars, which is insignificant in contrast to Lampert's gains. However, a part of $125.6 million was covered by insurance companies, with the remaining amount paid by Eddie Lampert and his investment funds (Unglesbee, 2022). This particular case demonstrates how profitable vulture fund actions can be for investors while also highlighting the risks for the companies involved.

3. Vulture funds and individual debts: insights from Ireland

In the case of individuals, vulture funds face greater challenges in obtaining valuable financial information since they must follow a number of restrictions, the most important of which is the European Union's General Data Protection Regulation (GDPR). Also, personal information is not as accessible as private company data. As a result, vulture funds tend to avoid dealing with individuals who default on their loans. However, we were able to identify several vulture funds that buy non-performing loans at a significant discount with the intention of enforcing at least some of them. Typically, banks aim to sell non-performing loans to "credit

recovery agents" in an effort to get rid of them, making the activity of vulture funds easier.

Following the 2008 property crisis in Ireland, the majority of banks were compelled to liquidate non-performing real estate loans. Vulture funds appear to be saviours, despite the fact that they purchase loans with a discount of up to 80% off their original value. The number of non-performing loans owned by these funds quickly exceeded 100,000 (Quinn, 2021), creating a new risk for Irish citizens: eviction (Tierney, 2019). Although contractual terms remained the same, creditors' tactics changed.

While banks frequently take a more cautious public position, attempting to avoid unfavourable headlines and maintain their reputation, vulture funds are viewed as more aggressive and less concerned about public perception. They may use harsh debt collection practices, such as sending direct notifications to debtors and threatening to foreclose on their houses (Lyons, 2016).

At the same time, even if loan clauses remained identical, vulture funds gradually began renegotiating contracts in order to add higher interest rates, often exceedingly twice the market average (Deegan, 2023). Their strategy did not include a quick rate hike but rather a gradual increase of tens of dollars per quarter, causing debtors to discover the changes only after they became financially unsustainable (Treacy, 2024). As a result, many debtors are unable to satisfy their obligations; some are facing eviction from previously purchased properties. Also, through mortgage foreclosures, vulture investors have obtained ownership of thousands of apartments throughout Ireland (Debt and Development Coalition Ireland, 2017, pp. 1-20).

The aim of vulture funds was to gain a large enough number of apartments that could help them influence market prices. In achievement of this goal, these funds not only foreclosed on real estate mortgages but also purchased apartments in specific neighbourhoods of Irish cities. Rather than purchasing individual apartments, they sought to influence pricing in specific urban areas. With large ownership of apartments and huge bargaining power, these funds began to boost rental rates, causing financial hardship for some renters.

The housing crisis in Ireland has reached a point where legal firms that specialize in litigation between debtors and vulture funds have started to appear (Bell & Company, 2024). Their main priority is representing debtors in negotiations with these funds, with the goal of obtaining interest rate reductions. Essentially, debtors have no legal recourse to nullify contracts obtained by investment funds. In this regard, debtors appear as persons who refuse to execute their obligations, while vulture funds appear as creditors trying to enforce their rights.

However, in 2022, a judge allowed an Irish couple's insolvency claim, cutting the interest rate from 8% to 2.5% and allowing them to repay the remaining balance of their loan over the next 25 years (Maguire, 2023). Usually, insolvency results in the loss of certain debtors' rights. But adjusting the terms of credit agreements may allow debtors to stabilize their financial situation without being pressured by vulture

funds. So, other debtors that face similar problems with vulture funds may take this option to save their future.

The Kmart Corporation and the Irish housing crisis demonstrate how vulture funds may affect society. In this regard, many people lost their jobs, and others were evacuated from their houses. Meanwhile, as we have seen, vulture funds assisted banks in liquidating non-performing loans. Thus, their activities may benefit some involved parties.

4. The first steps in building a framework for financial data access in EU

To combat the widespread of non-performing loans, the European Parliament and Council approved Directive (EU) 2021/2167 on credit servicers and credit purchasers[1]. According to recital 11 of the Directive, "*limited participation of credit purchasers has resulted in low demand, weak competition, and low bid prices for portfolios of credit agreements on secondary markets, which is a disincentive for credit institutions to sell non-performing credit agreements*."

Article 3 of the directive defines a 'credit purchaser' as "*any natural or legal person, excluding credit institutions, who acquires creditor rights under non-performing credit agreements or the agreements themselves as part of their trade, business, or profession, in compliance with relevant Union and national laws*." This definition includes vulture funds, which, as previously stated, are investment funds that purchase non-performing loan instruments.

Vulture funds frequently use aggressive techniques to induce debtors to meet their loan obligations 'voluntarily.' To discourage such behaviour, the directive requires credit purchasers to "*operate in good faith, equitably, and professionally*." This involves providing "*information to borrowers that is not misleading, unclear, or false; respecting and protecting the personal information and privacy of borrowers; and communicating with borrowers in a way that does not constitute harassment, coercion, or undue influence.*" While these principles are theoretically valid, their broad formulation may enable vulture funds to disguise their debt recovery tactics, avoiding accusations of bad faith.

Article 15(1) requires Member States to ensure "*that a credit institution provides a prospective credit purchaser with necessary information regarding a creditor's rights under a non-performing credit agreement, or the non-performing credit agreement itself, and, if applicable, the collateral*." This information allows investors to evaluate the value of these rights and the likelihood of recovery before entering into a transfer agreement. The legislation also requires an enabling

---

[1] Directive (EU) 2021/2167 of the European Parliament and of the Council of 24 November 2021 on credit servicers and credit purchasers and amending Directives 2008/48/EC and 2014/17/EU (Text with EEA relevance) online at: https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX%3A32021L2167, accessed on 15.06.2024

framework in order to protect "*information made available by the credit institution and the confidentiality of business data*".

As a result, vulture funds gain access to critical information about the non-performing credit agreements they may purchase. In this way, vulture funds may obtain a more accurate estimation of their potential profit. However, vulture funds are limited to the information included in loan agreements. They are unable to obtain further financial information, such as a history of debtors' loans or other pertinent information, which could impact their decision to purchase or reject non-performing loan agreements.

4.1. Decoding the EU Framework for Financial Data Access: Initial Insights

In this context, the challenges that vulture funds face could be mitigated if the European Union approved the European Parliament and Council's proposal on a framework for financial data access[2]. As the name implies, the purpose of this legislative act is to provide a platform that will make it easier for credit institutions and their clients to share financial information. The regulation proposal underscores that "*the overarching goal of this proposal is to enhance economic outcomes for financial services customers (consumers and businesses) and financial sector firms by promoting digital transformation and accelerating the adoption of data-driven business models in the EU financial sector*." A relevant example is that "*access to financial data would enable more user-centric services: personalized services could benefit consumers seeking investment advice, and automated creditworthiness assessments could facilitate SMEs' access to financing*."

Article 2(2) of the proposed regulation offers an outline of the entities within its jurisdiction. The primary subjects of interest in this study are "*financial information service providers, insurance and reinsurance companies, credit institutions, and investment firms*". As long as they follow the regulations—most notably, the requirement to establish an office in one of the Member States—vulture funds may be considered investors and may benefit from the provisions of the proposed legislation.

We predict that vulture funds will easily meet these requirements, given that the proposed regulation aims to broaden rather than restrict access to clients' financial information. Furthermore, vulture funds may collaborate with financial information service providers who specialize in providing information about individuals. This allows vulture funds to streamline their operations by focusing on key processes rather than managing every stage separately.

---

[2] Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on a framework for Financial Data Access and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010, (EU) No 1095/2010 and (EU) 2022/2554 https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52023PC0360.

4.2. Types of Information Governed by FIDA

The types of information vulture funds could access are detailed in Article 1 (1) of the proposal, covering "*mortgage credit agreements, loans, and accounts including balances, conditions, transactions, savings, investments in financial instruments, insurance-based investment products, crypto-assets, real estate, and other related financial assets and economic benefits derived from such assets, integral to assessing a firm's creditworthiness gathered during loan applications or credit rating evaluations*". This information is critical for vulture funds interested in buying non-performing contracts from individuals since it avoids the risk of getting contracts that cannot be fulfilled. This enables vulture funds to reduce the number of non-performing contracts that cannot be recovered, improve operations, and increase profitability.

Besides individuals' data, the proposal also extends the opportunity for vulture funds to access information regarding the creditworthiness of companies. The proposal specifies that such information can be provided if a "*company applies for credit or if it is used for credit rating purposes by rating agencies*". We point out that European Mortgage Federation-European Covered Bond Council (2023, p. 2) stated that "*the scope of data collected as part of a loan application process should not be in scope of the Regulation*", because these data "*includes very sensitive commercial information*", such as "*the different internal methodologies used by financial institutions for creditworthiness assessment purposes and the data linked to this activity (product data)*". The concerns raised by EMF-ECBC appear to be valid, as there is currently no reasonable justification for third parties to have access to such sensitive data.

However, in addition to purchasing loans, vulture funds can directly lend to struggling companies, meeting the standards for accessing the necessary information. As seen in the case with Kmart Corporation, ESL Investment had supplied multiple credits via other investment funds, which is the usual practice of vulture funds. Access to company creditworthiness information would allow vulture funds to conduct full risk assessments, giving them access to all essential information. This ability reduces the previously noted inconvenience, as vulture funds can receive all relevant data with just a single request.

But, access to customer[3] data depends on their consent. According to Article 5(1) of the proposed regulation, "*the data holder shall, upon request from a customer submitted by electronic means, make available to a data user the customer data listed in Article 2(1) for the purposes for which the customer has granted permission*

---

[3] According to Article 3(2) of the proposed regulation, "*customer means a natural or legal person who makes use of financial products and services*". This category includes individuals or companies that have entered into credit contracts with financial institutions, which is why we will use the word debtor throughout the paper rather than customer.

to the data user. The customer data shall be made available to the data user without undue delay, continuously, and in real-time." This implies that customers can choose to limit third-party access to only certain financial information rather than granting access to all of it. In practice, considering that debtors are often in a weaker position, it is likely that they will consent to credit collectors accessing all of their financial information.

On the other hand, there are several entities that believe the category of data they are required to provide is too broad. For example, the Association of Mutual Insurers and Insurance Cooperatives in Europe (2023, p. 8) argues "*that companies, including insurers, should not be obliged to share trade secrets, business-sensitive information, or proprietary data resulting from their analytical and enrichment processes.*" In this regard, the association (2023, p. 8) considers that "*such data is not only integral to a company's competitive edge but also encompasses valuable expertise, know-how, and sensitive pricing information, whose disclosure could pose significant competitive risks.*" As AMICE, we believe that companies should be required to give only data submitted by customers, excluding inferred data.

Additionally, the second part of the legal provision states that data holders must provide real-time access to financial information without specifying whether they are entitled to compensation for this service. In this regard, the following paragraph clarifies that "*a data holder may claim compensation from a data user for making customer data available pursuant to paragraph 1 only if the customer data is made available to a data user in accordance with the rules and modalities of a financial data sharing scheme, as provided in Articles 9 and 10, or if it is made available pursuant to Article 11.*"

Vulture funds must not only obtain the debtor's consent to access financial information, but they must also cover the associated fees. The exact amount of the costs cannot be determined until the proposed regulation is adopted. However, article 9 specifies the criteria for determining compensation: "*it must be reasonable and directly linked to the expenses of providing data to the funds, based on comprehensive market data collected from both data users and holders, clearly identifying each cost element in line with the model, and structured to reflect the lowest prevailing market rates*".

Thus, based on the interpretation of the legal provisions, it is clear that the expenses associated with accessing financial information should be minimal. However, the Association of Foreign Banks in Germany (2023, p. 1) states that "*the obligation of the holders of customer data to make this data available to data users by setting up the necessary technical infrastructure (interfaces) will affect almost all institutions and companies in our association.*"

Therefore, we believe that Article 9 will be adapted based on recommendations from affected entities. For example, the Association for Financial Markets in Europe (2023, p. 7) recommends that "*approach to compensation should be aligned with that agreed under the Data Act, such that it allows for a margin and*

takes into account the costs incurred for making the data available and the investment in the collection and production of data".

Anyway, we believe that these costs will not exceed the present expenses charged by vulture funds to access databases holding financial information, notwithstanding the additional time required to find critical data compared to the scenario in which the regulation proposal is implemented.

In summary, while the proposed regulation is not specifically meant to improve the behaviour of credit recovery agents, certain legal features will have this impact. When combined with the rules governing the trading of non-performing credit contracts, vulture funds could become significantly more efficient. As a result, it is vital to determine how their activities will affect the parties involved.

3.3. Potential consequences of FIDA implementation

Commercial banks are under pressure to minimize non-performing loans in their portfolios, which has driven their desire to establish a market for these debts. The directive on non-performing loans is an important first step in establishing this secondary market, and the proposed regulation is a significant component of that endeavour. However, vulture funds may interpret the legal provisions in their own particular manner. Currently, these funds have only a restricted access to financial information and have to purchase non-performing loan contracts in bulk, with only a small percentage of them being enforceable.

The proposed regulation will grant vulture funds access to critical debtor information, allowing them to select which loan contracts to buy while avoiding those that are clearly disadvantageous. Establishing a financial data sharing system will improve vulture funds' negotiation power with commercial banks, allowing them to choose loan contracts to buy or demand big discounts.

Also, the proposed regulation will have a considerable impact on debtors. Negotiating with vulture funds will be extremely difficult once they have access to all relevant information. For example, if a company requires a loan, it will find itself in a weak negotiation position. Currently, failing companies are forced to accept unfavourable terms, such as higher interest rates. With the proposed regulation, this situation could become even more difficult because vulture funds are given more power to impose severe restrictions on companies. Essentially, if a company wants to escape insolvency, it may have few options except to rely on vulture funds because other creditors refuse to take such risks. It remains to be seen whether the regulation will increase the number of corporate bankruptcies.

From the standpoint of vulture funds, their actions are perfectly legal because debtors do not execute their obligations. Unanticipated occurrences, such as a family member losing their job or making poor business decisions, might force debtors to default on payments. Because debtors are usually in difficulties that are not entirely their fault, vulture funds' tactics in pursuing debt recovery may raise ethical

concerns. However, vulture funds have the legal authority to seek repayment regardless of the borrowers' economic status. Vulture funds normally do not pursue debts immediately, giving debtors time to improve their financial situation.

Also, enforcement tactics are subject to judicial examination, and debtors have the right to appeal decisions, including claims of unjust terms. In this regard, debtors in the European Union have access to a number of legislative safeguards that normally prevent vulture funds from acquiring individual loans. At the same time, corporate bankruptcy laws have been enacted in each country to protect the rights of debtors and creditors in insolvency procedures. The primary objective is to save the company, and creditors are focused on recovering their investments and keeping the company operational to support the market. As a consequence, we believe that vulture funds are likely to remain cautious and prefer countries in which the rights of creditors are more protected, such as the US, even in the face of proposed regulation.

Separate from vulture funds, we believe that access to debtors' financial information may result in their segregation. Depending on the available debtor information, banks may offer favourable credit terms to some while imposing rigorous conditions on others, such as shorter repayment periods or higher interest rates. Simultaneously, despite the anticipated decrease in remuneration for supplying information, these expenses are likely to be shifted to banking service fees, aggravating the difficulty of obtaining loans.

Conclusions

To summarize, vulture funds are investment funds with extensive control over the debtors they target. While the European Union intends to provide a platform to improve the financial services provided by commercial banks and other financial institutions, the legal requirements of the regulatory framework may be used for a variety of reasons. Primarily, vulture funds can improve their operations by gathering debtors' financial information prior to acquiring non-performing loans and periodically monitoring their financial status. However, we consider that vulture fund activities should be governed by national legislation that must provide more protection to those in financial distress, rather than modifying the proposed regulation only for this purpose.

Despite the perception that vulture funds harm all parties involved, it is critical to recognize their role in helping many companies emerge from bankruptcy. Furthermore, despite purchasing multiple apartments in Ireland, vulture investors did not just hike rents without improving living conditions; they renovated the apartments first. As a result, it is critical to develop a balanced approach that optimizes the benefits of vulture funds' activities while reducing their negative consequences.

References

Anson, M. J. P., Fabozzi, F. J., & Jones, F. J. (2010). *The handbook of traditional and alternative investment vehicles: Investment characteristics and strategies*. https://doi.org/10.1002/9781118258248

Association for Financial Markets in Europe. (2023). *FiDA and PSR: Key issues for developing the EU data economy*. https://www.lobbyregister.bundestag.de/media/f7/d1/322948/Stellungnahme-Gutachten-SG2406260023.pdf

Association of Foreign Banks in Germany. (2023). *Position paper of the Association of Foreign Banks in Germany (VAB) on the proposal for a regulation of the European Parliament and of the Council on a framework for financial data access and amending regulations (EU) No 1093/2010, (EU) No 1094/2010, (EU) No 1095/2010 and (EU) 2022/255* [COM (2023) 360]. https://www.vab.de/wp-content/uploads/2023/11/090166e503b73f9b1.pdf

Association of Mutual Insurers and Insurance Cooperatives in Europe. (2023, November 1). *AMICE position paper on the proposed regulation for financial data access (FIDA)*. https://amice-eu.org/app/uploads/2023-11-01-AMICE-Position-paper-on-FIDA.pdf

Bell & Company. (2024). *Has your mortgage been sold to an Irish vulture fund?* https://www.bellcomp.co.uk/personal-debt/property-debt/mortgage-sold-to-irish-vulture-fund/

Bienenstock, J., Firzgerald, R., Glasser, M., & Kim, K. (2019). The downfall of Sears: Examining Sears' decline from being the largest US retailer to bankruptcy. *NYU Stern School of Business*, 1–28.

Blackman, J., & Mukhi, R. (2010). The evolution of modern sovereign debt litigation: Vultures, alter egos, and other legal fauna. *Law and Contemporary Problems*, 73(4), 47–61.

Brutti, D. (2020). Sovereign debt crises and vulture hedge funds: Issues and policy solutions. *Boston College Law Review, 61*(5), 1819–1854.

Bulfin, A. (2023, July 18). Explained: Vulture funds Ireland 2023. *Sys Group*. https://sysgroup.ie/explainedvulture-funds-ireland/

Casa, T. D., Rechsteiner, M., & Lehmann, A. (2008). *Hedge fund investing in distressed securities: Capturing the unique value created by corporate and economic turnarounds.* Research, Analysis and Strategy Group, MAN Investments. https://www.opalesque.com/files/ManDistressed_investing_Final.pdf

Dayen, D. (2018, October 17). How Sears was gutted by its own CEO. *The American Prospect*. https://prospect.org/economy/sears-gutted-ceo/

Deegan, L. (2023, November 10). Dáil hears dramatic revelations about US vulture funds and Irish courts. *IrishCentral*. https://www.irishcentral.com/news/politics/vulture-funds-dail

Delventhal, S. (2022, December 22). Who killed Sears? Fifty years on the road to ruin. *Investopedia*. https://www.investopedia.com/news/downfall-of-sears/

Debt and Development Coalition Ireland. (2017). *From Puerto Rico to the Dublin Docklands: Vulture funds and debt in Ireland and the global south. Financial Justice*. https://www.cadtm.org/From-Puerto-Rico-to-the-Dublin-Docklands

European Mortgage Federation-European Covered Bond Council (EMF-ECBC). (2023). *Response to the European Commission's public consultation on "Open Finance Framework – enabling data sharing and third-party access in the financial sector"*. https://www.hypo.org

Fisch, J. E., & Gentile, C. M. (2004). Vultures or vanguards?: The role of litigation in sovereign debt restructuring. Emory Law Journal, *53*. Fisch, Jill E. and Gentile, Caroline M., Vultures or Vanguards?: The Role of Litigation in Sovereign Debt Restructuring. Available at SSRN: https://doi.org/10.2139/ssrn.583041

Gietzmann, M., Isidro, H., & Raonic, I. (2018). Vulture funds and the fresh start accounting value of firms emerging from bankruptcy. *Journal of Business Finance & Accounting, 45*(3-4), 410–436. https://doi.org/10.1111/jbfa.12303

Gilson, S. C., & Abbott, S. (2010). Kmart and ESL investments. *Harvard Business School Case 209-044*, 115–128. https://doi.org/10.1002/9781119204589.ch4

Hove, D., Smith, T., & Yang, B. (2019). Sears bankruptcy: From Roebuck to no bucks. *University of Tennessee College of Law, Legal Scholarship Repository: Chapter 11 Bankruptcy Studies, Issue 57*, 1–168.

In re Kmart Corp. (2006). Case No. 02 B 02474, Adv. Nos. 04 A 00126, 04 A 00094, 04 A 00087, 04 A 02898, 04 A 00158, 04 A 02775, 04 A 02865, 04 A 02785, 04 A 02874, 04 A 02102, 04 A 02436, 04 A 02. *United States Bankruptcy Court*. https://casetext.com/case/in-re-kmart-corporation-281

Kroll. (2018). *Sears Holdings Corporation, case No. 18-23538.* https://restructuring.ra.kroll.com/sears/Homie-Index

Lehavy, R., & Udpa, S. (2011). Kmart: Predicting bankruptcy, fresh start reporting, and valuation of distressed securities. *Issues in Accounting Education, 26*(2), 391–419. https://doi.org/10.2308/iace-10017

Liberto, D. (2022, May 3). Vulture capitalist: Meaning, criticism, example. *Investopedia*. https://www.investopedia.com/terms/v/vulturecapitalist.asp

Lyons, T. (2016, April 3). The human cost of vulture funds. *FM Auditors, Tax & Business Advisers*. https://www.fmaccountants.ie/human-cost-vulture-funds/

Maguire, M. (2023, May 10). McGrath welcomes ruling ordering Pepper Finance to lower mortgage rate for borrower in insolvency. *The Journal*. https://www.thejournal.ie/mcgrath-pepper-finance-mortgage-ruling-ireland

Megliani, M. (2018). For the orphan, the widow, the poor: How to curb enforcing by vulture funds against highly indebted poor countries. *Leiden Journal of International Law*, *31*(2),363 - 381. https://doi.org/10.1017/S0922156518000067

Naidu-Ghelani, R. (2018, October 19). Former Sears CEO Alan Lacy on what brought down the retail icon. *BNN Bloomberg*. https://www.bnnbloomberg.ca/former-sears-ceo-alan-lacy-on-what-brought-down-the-retail-icon-1.1155309

Pandy, E. (2018, August 29). The cannibal of Sears. *Axios*. https://www.axios.com/2018/08/29/sears-department-store-closings-lampert-esl

Peterson, H. (2017, May 21). Sears CEO blames the media for company's decline – but his obsession with Wall Street set it up for failure. *Business Insider*. https://perma.cc/UT46-3JPZ

Peterson, H. (2017, May 14). Sears CEO's master plan to profit from the demise of his stores is taking a turn for the worse. *YahooFinance*. https://www.yahoo.com/news/sears-ceo-master-plan-profit-off-demise-his-stores-taking-turn-worst-221236205.html

Quinn, E. (2021, December 9). Central Bank: 100,000 home mortgages owned by vulture funds or sub-prime lenders. *Irish Examiner*. https://www.irishexaminer.com/business/economy/arid-40762719.html

Richter, W. (2019, April 18). Here are Sears Holdings five "fraudulent transfers" and why "culpable insiders" Lampert, Mnuchin, et al. got sued. *Wolf Street*. https://perma.cc/DN4E-HYBP

Sabanoglu, T. (2022, November 30). Sears Holdings: Global sales 2005-2020. *Statista*. https://www.statista.com/statistics/292990/global-revenue-of-sears-holdings/

Samples, T. (2014). Rogue trends in sovereign debt: Argentina, vulture funds, and pari passu under New York law. *Northwestern Journal of International Law & Business, 35,* 49-86. https://doi.org/10.2139/ssrn.2403342

Sookun, D. (2010). *Stop vulture fund lawsuits*. Commonwealth Secretariat.

Soufraki, A. (2020). A beginner's guide to the vulture fund. *Finance Focused*. https://finfoc.com

Spross, J. (2018, October 16). How vulture capitalists ate Sears. *The Week*. https://www.theweek.com/articles/801927/how-vulture-capitalists-ate-sears

Stowell, D. P., & Stowell, P. (2017). Kmart, Sears, and ESL: How a hedge fund became one of the world's largest retailers. *Kellogg School of Management Cases*, 1–22. https://doi.org/10.1108/case.kellogg.2016.000176

Tierney, C. (2019, November 14). Vulture funds and a coming "tsunami" of Irish evictions. *IrishCentral*. https://www.irishcentral.com/news/vulture-funds-irish-evictions

Treacy, M. (2024, January). A closer look at the mortgage vulture funds and their Irish operations. *Gript*. https://gript.ie/a-closer-look-at-the-mortgage-vulture-funds-and-their-irish-operations/

Unglesbee, B. (2022, August 11). Sears Holdings reaches $175M settlement with Lampert and company. *Retail Dive*. https://www.retaildive.com/news/sears-holdings-175m-settlement-eddie-lampert/629425/

Zane, E. (2016). Sovereign debt restructuring: Lessons learned from legislative steps taken by certain countries and other appropriate action to reduce the vulnerability of

sovereigns to holdout creditors. *United Nations Conference on Trade and Development*.

Wozny, L. (2018). National anti-vulture funds legislation. *Columbia Business Law Review, 2017*(2), 697–747. https://doi.org/10.7916/cblr.v2017i2.1722

The role of external assistance in propelling the digitalization of public services in the republic of Moldova

 Mihaela Grumeza ✉**,** **Rodica Crudu**

Academy of Economic Studies of Moldova, Chisinau, Republic of Moldova

Abstract: Digitization of public services has become an imperative in modern governance, bringing promises of increased efficiency, transparency and greater citizen engagement. This study examines the critical role of external assistance in accelerating the digitization of public services in the Republic of Moldova, highlighting its impact on shaping national digitization agendas, particularly in transition economies. The relevance of the research lies in its ability to contribute to the development of effective and sustainable strategies for the digitization of the public sector, thus facilitating socio-economic development and strengthening international cooperation. The main aim of the study is to investigate the role of external assistance in this process, being structured on three objectives: exploring the theoretical concepts of e-government, analysing the impact of external assistance on digitization in Moldova and assessing the influence of digital public services on the development of local entrepreneurship. Through a qualitative methodological approach, the study provides valuable insights for policy makers and practitioners, contributing to the academic discourse on digital governance.

Keywords: financial assistance, digitization, public services, e-government, efficiency

Introduction

Every century brings substantial changes in science, innovation and society. Scientific progress initiates chain reactions that generate continuous innovations in different aspects of life. One area significantly affected by new technologies is the provision of public services. The transmission and storage of information and data has evolved into a digital format, a process known as digitization. Digitization involves the conversion of analog/physical versions, such as paper documents, images and photographs, into digital formats. Once digitized, this information can be integrated and used in various applications.

The digitization of public services includes the automation of the submission of service requests, the identification and authorization of applicants, the digital

---

✉ PhD student, Academy of Economic Studies of Moldova, Chisinau, Republic of Moldova, e-mail: mihaela.grumeza@ase.md

completion and signing of service requests, the online payment of fees for services, the provision of services, inter-institutional data exchange and the secure hosting of e-services. Information and digitization have transformed economic value creation, market structure and functionality, communication with government bodies and the management of different businesses and services such as banking, education and healthcare.

Given the rapid pace of evolution, digitization of public services remains a pressing priority for most countries, especially for developing nations such as the Republic of Moldova, which has skilled IT specialists and is on the path of European integration. The evolution of digitization of public services is reflected in various concepts such as e-government and digitization, which illustrate the progression of public service delivery using digital technologies.

The development of digital government is influenced by several factors, including:

- Reducing service delivery time and improving communication: Improving government-business (G2B) and government-citizen (G2C) interaction. Government services provided through websites offer numerous benefits to both the government and its users by saving time Hiller and Belanger (2001). According to Sharma et al. (2012, pp. 19-27), e-government services improve the competitiveness of the business environment by creating informed customers and helping businesses save time, money and energy for other investments.
- Increasing efficiency and reducing costs: e-government improves the efficiency of administrative processes, reduces the need for manpower to manage the large volume of paper-based work, and allows processes to be managed by fewer employees, thereby reducing operational costs Mundy and Musa (2010, pp.148-161), Joseph (2015, pp.18-34).
- Building a transparent and less bureaucratic government: uploading official policies and legislation online facilitates the evaluation and debate of government decisions by analysts and the general public, ensuring transparency and freedom of information and effectively preventing corruption Vossos (2013, p.166).

Despite the recognition of the indispensability of digitization of public services for modern governments, there is a lack of empirical evidence on the role of official development assistance (ODA) in building digital governments or e-government.

Although several researchers address in their works the importance of digitization of public services and building a digital government Lungu et al. (2022, pp. 124-130), Chiochină (2023, pp. 48-49), they don't identify the catalysing elements of this process or the link between external assistance and the implementation of Moldova's digital transformation agenda. The originality of the subject and the lack of specialized literature emphasize the need to address the topic

in the specialized literature. The article aims to analyse the role of development partners' support in the digitization of public services in the Republic of Moldova.

The aim of the research is to investigate the role and impact of external assistance in the digitization of the Republic of Moldova.
The study sets the following objectives:

1. Support the role of external assistance in boosting e-government efforts.
2. Analysis of the results and impact of external assistance on the digitization of public services in Moldova;
3. Examining digital public services and their impact on the development of the local entrepreneurial sector;

The research results will highlight key success factors, challenges and lessons learned, providing valuable information for policy makers, practitioners and international development agencies. Ultimately, this research contributes to advancing scholarly discourse on digital governance and international development, while offering practical recommendations to enhance digitalization strategies in Moldova and beyond. By bridging theory and practice, the study aims to catalyse informed decision-making processes and drive sustainable socio-economic progress in the digital era.

The research will also help advance the academic discourse on digital governance and international development, while providing practical recommendations to improve digitization strategies in Moldova and beyond. By bridging theory and practice, the study will catalyse informed decision-making processes and foster sustainable socio-economic progress in the digital era

Various research methods and techniques were used to achieve the specific research aims and objectives. These included factual analysis, statistical analysis focusing mainly on data provided by the External Assistance Management Platform and the Ministry of Economy and Digitization of the Republic of Moldova, and impact analysis aimed at identifying the effects of external assistance on the digitization of public services. Data for these analyses were obtained from the Electronic Government Agency, the Ministry of Economy and Digitalization of the Republic of Moldova and the National Bureau of Statistics of the Republic of Moldova. In the process of analysis, the data were selected by a process of cross-checking, several platforms and available statistics were analysed.

The research is based on the seminal works of researchers such as Kaaya J., Sharma S., Gupta J., Bao X., and Qian W., as well as on the publications of international organizations such as the European Commission (EC), the United Nations (UN), the United States Agency for International Development (USAID) and the AID Management Platform. In addition, data provided by the Ministry of Economic Development and Digitalization, the Agency for Electronic Government and the National Bureau of Statistics of the Republic of Moldova were an integral part of the research.

1.Theoretical concepts of digitization of public services

1.1. Terminology and evolution of digital governance

The academic literature uses a variety of terms to describe the integration of information and communication technology (ICT) to modernize administrative functions. These terms include e-government, e-administration, e-administration, e-service delivery, e-democracy, digitization, digitalization, digitization, digital transformation and digital governance. The concepts of electronic government (e-government) and their associated terminology emerged in the early 1990s, coinciding with the entry of governments onto the World Wide Web as a crucial element of e-government.

E-government generally refers to efforts to increase the efficiency of service delivery and accessibility for citizens through the use of the internet and ICT Meijer and Bekkers (2015, pp. 266-271). E-government models describe this concept as a linear, staged and progressive process that evolves from an initial internet presence to information provision, interactivity and transactional service delivery. As e-government matures, it is moving from a front-office (information on the website) issue to an amalgam of front-office and back-office solutions. However, almost all models become normative when they describe a fully developed e-government, stating what e-government should become. These models implicitly assume that fully transactional systems are superior and that increased interaction with citizens equates to improved services Coursey and Norris (2008, pp. 232-245), Bednar and Welch (2020, pp. 281-298).

1.2 Digitization and digital transformation

Some e-government models suggest a transformation stage after information, interaction and transaction as the end point of digitization. Ostasius (2012, p.88-96) defines transformation as a fundamental positive change in the interactions between citizens and government, characterized by citizen-centricity, responsiveness and increased trust in government. However, beyond this normative perspective, I argue that ICT-led government has changed minimally, primarily reinforcing existing power structures. West (2004, pp.50-65) notes the difficulty in determining the extent of innovation and the length of time required before something can be considered a 'complete change in character and condition', the classic definition of transformation. Bannister and Connolly (2014, pp.119-128) argue that transformation is not a binary categorization of minor or major change, but rather a continuum without a clear end point that indicates radical change. Consequently, it remains ambiguous when the implementation of desirable values qualifies as transformation.

Contemporary literature has largely moved away from the term "e-government", favouring terms related to digitization Lindgren (2019, pp. 427-436). Three reasons for this terminological evolution are identified:

1. The terms have certain connotations, and many practitioners and researchers believe that e-government is never fully realized and therefore a failure;
2. Technological advances create new possibilities that have not been considered in e-government models, such as mobile or ubiquitous computing;
3. New requirements for transparency, participation and collaboration go beyond traditional e-government models;

Digitization refers to the direct conversion of analog data into digital formats, essentially replicating existing analog structures and processes in electronic format without changing administrative, organizational, or process structures Mergel (2019, p.1-3). While these efforts have led to significant improvements in public organizations, such as time savings in information transfer, it is often overlooked that an inefficient digital process remains inefficient by focusing excessively on technological advances. Instead, digitization involves transforming analog processes into digital processes by revising processes and introducing new organizational models. When this digitization leads to comprehensive institutional change, it is referred to as digital transformation. This term encompasses not only organizational and procedural changes, but also significant cultural changes within public authorities, affecting staffing and skill structures, interactions with citizens and the long-term performance of public service delivery.

Digital transformation therefore involves substantial developments in the production of services and associated interactions, focusing on the socio-technical nature of these changes rather than the purely technical aspects Siau and Long (2009, p.98-107). However, the distinction between digitization and digital transformation is difficult because of the relative nature of what constitutes 'comprehensive' change. Similarly, empirical research struggles to distinguish between these stages. Therefore, this article uses the term 'digitization' to describe changes in public administration resulting from the use of ICTs, considering digital transformation as the impact stage of digitization.

In short, this overview of terms related to digital governance illustrates that the field has not yet reached agreement on common definitions and concepts remain ambiguous. However, the literature agrees that - whether discussing e-government or digitization - it is not possible to establish an end point of digitization that can be reached by organizations, but rather describe ongoing processes and dynamic patterns that can be categorized into specific waves and stages.

2. Digitalization of public services in the Republic of Moldova

2.1. The digital transformation path of the Republic of Moldova

The digitization of government in the Republic of Moldova is a dynamic and continuous process, driven by strategic vision, technological innovation and commitment to improve public administration. The transformation process includes several steps that the Republic of Moldova aims to achieve by the end of 2030, with subsequent adjustment to advanced information technologies and citizens' requirements. State policies clearly stipulate that building a digital administration is a prerequisite for building an efficient administration that functions in a transparent and democratic manner.

The construction of e-government includes three phases (Fig. 1) with a major influence in the development of a complex and efficient mechanism of activity.

Early adoption: At the initial stage, the Government of the Republic of Moldova made efforts and carried out activities in the field of public policy adoption, which were indispensable in the digitization process. The first steps focused on several principles: the development of a modern digital infrastructure, which at the first stage includes connecting public institutions to the Internet (2010); the development of internal software used at the government level for data storage (2012); the gradual adjustment of public documents and preparation of the legal framework towards the digitization process (abolishment of the obligation to use the stamp 2014), the visibility of central and local public authorities in the online environment (building for each municipality a web page with relevant information);

The digitization period: The digitization period included an extensive process of developing digital platforms for the delivery of public services, as well as a period of educating the population on their use. The process was carried out in stages, with actions in different directions, but with the aim to achieve the same results, a digital and efficient government.

From 2024, economic operators are obliged to submit all tax and financial reports electronically. To this end, specialized and functional platforms have been created to automate the entire process. This was made possible in the context of the development, education and subsequent introduction of electronic signature obligations. If previously the company director used to perfect his electronic signature on demand, at the current stage, perfecting the electronic signature is a paramount step in the launch and development of the business. Another element that contributes to the development and education of the population and the business environment in the use of digital public services is the EVO application, a wallet with digital documents and access to the necessary public services.

The Future Digital Government - phase will represent a continuous evolution in the transformation of government towards advanced digitization and increased efficiency in line with the Digital Europe agenda. This phase will be characterized

by the implementation and integration of emerging technologies and innovative practices in public administration, such as:

- The Government of Moldova will adopt and integrate emerging technologies such as artificial intelligence, blockchain, internet of things (IoT) and big data analytics to improve the efficiency and transparency of public services. These technologies will be used to optimize administrative processes, manage data and deliver faster and more personalized public services.
- Digital platforms for the delivery of public services will be further developed and integrated, ensuring that they are interoperable and easily accessible for citizens and economic operators. These platforms will enable citizens to access various services (e.g. health, education, taxes) in an integrated and simplified way.
- Particular attention will be paid to cybersecurity, given the increase in cyber threats in the context of widespread digitalization. The Government will implement rigorous measures and policies to protect citizens' sensitive data and personal information.
- Efforts to educate the population on the use of digital public services and associated technologies will continue. Awareness raising campaigns and training programs will be implemented to ensure that all citizens, including vulnerable groups, have access to and the necessary knowledge to use government digital platforms.
- The government will adapt and refine legislation to support the development and deployment of advanced digital public services. This may include regulations on data protection, standardization of digital technologies and promoting innovation in the public sector.
- The government will continue to work with the private sector, international organizations and civil society to continuously improve digital services for citizens. Partnerships will play a crucial role in developing and implementing innovative technological solutions.

Figure 1. Stage of building e-government. The case of the Republic of Moldova
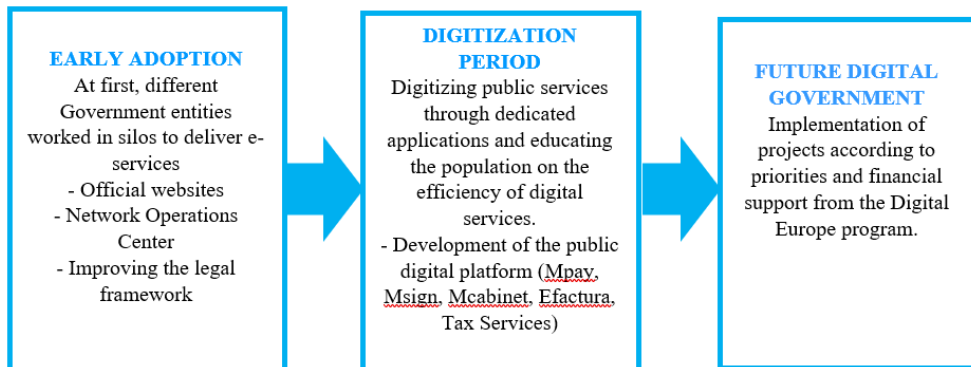
Source: authors' representation

2.2. Policies in the field of building e-governance

The digital transformation in the Republic of Moldova is guided by the strategic documents approved at national level: the Development Strategy "Moldova-2030", the Action Plan "European Moldova" 2030, the Digital Transformation Strategy-2023-2030, which aim to provide quality public services in line with citizens' needs.

The Digital Transformation Strategy 2023-2030 is the reference framework for the implementation of digitization initiatives in the Republic of Moldova. It focuses on five essential pillars, which, approached in a systemic manner, will enable the building of a modern and efficient digital governance.

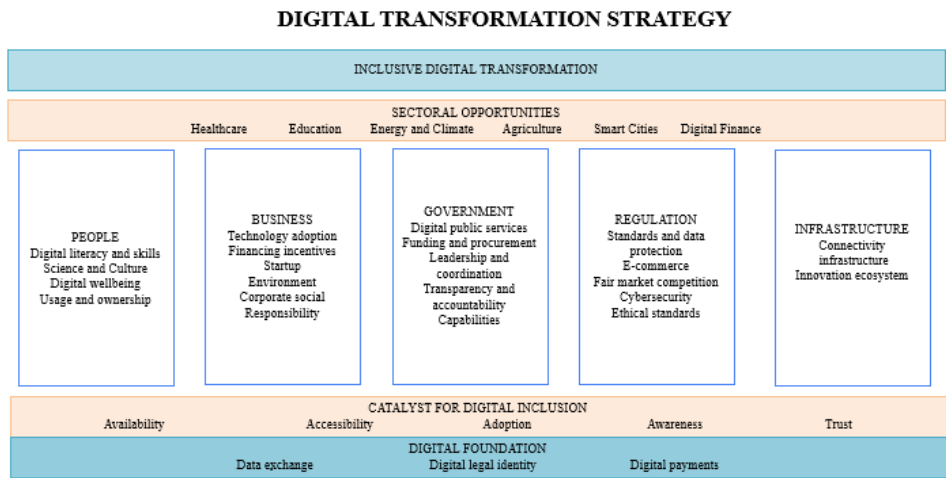The pillars of the digital transformation strategy are presented in the table below:

Table 1. Pillars of the digital transformation strategy

Pylon	Description
Digital infrastructure	Develop and upgrade ICT infrastructure, including the expansion of high-speed internet networks and data canters, to ensure universal access to digital technologies.
eGovernment	Implement e-government solutions to make public services more efficient and transparent, facilitating digital interaction between citizens and public administration.
Digital skills	Promoting digital education and training for both citizens and public sector employees to increase digital literacy and develop advanced skills.
Digital economy	Stimulating the development of the digital economy by supporting innovation and entrepreneurship in the ICT sector and attracting investment in emerging technologies.
Cyber security	Providing a robust cyber security framework to protect critical infrastructures, personal data and digital transactions, thus preventing associated risks.

Source: Electronic Governance Agency, egov.md

The digitization of public services is pressing in all areas, so the key elements that will support the implementation of an inclusive digital transformation are: citizens, businesses, government, the legal framework and infrastructure.

Figure 2. Structure of the digital transformation strategy

Source: Electronic Governance Agency, egov.md

2.3. Digital public platforms and services

The implementation of the Digital Transformation Strategy has led to the development of several innovative products that facilitate access to public services for both individuals and businesses, Meijer (2019, pp.120-138). Its implementation would have been very difficult without the support of development partners, who have been partners in developing and popularizing these solutions among citizens. Several projects have been implemented in the Republic of Moldova, which have contributed to the digitization of 59% of the existing public services, and 41% are to be digitized during the years until 2030.[1] The process of digitization of public services is the responsibility of the Ministry of Economy and Digitization and the Agency for Electronic Government, which are working on this on a daily basis. The relevant structures have implemented a number of digital applications and platforms to improve public services and facilitate the interaction of citizens and businesses with public administration. They are:

- MSIGN- Electronic signature service that allows online authentication and signing of documents, guaranteeing their authenticity and integrity. The application has strengthened and simplified the process of collaboration of business representatives with state institutions, business partners and financial institutions. At this stage, any document can be electronically signed, transmitted and accepted by the relevant institutions.

---

[1] Mded.gov.md

- MPOWER - Single authorization and authentication platform for access to government e-services.
- MCABINET- Portal for citizens, providing access to personal information and personalized public services.
- MPASS - Password Management and Authentication System, providing enhanced security for access to e-services.
- MCONNECT - Interoperability platform that enables the exchange of data between different government IT systems.
- MPAY - National electronic payment system that allows citizens and businesses to make payments for public services in a simple and secure way.
- DATE.GOV.MD- The national open data portal, which provides access to public datasets from various domains, encouraging transparency and innovation.
- The Public Services Portal, which centralizes all government services available online, giving citizens and businesses a single point of access.
- MDELIVERY - Electronic document delivery platform, which allows sending and receiving official documents electronically.
- MLearn - governmental distance learning platform, launched by the Government of the Republic of Moldova in 2020 by Government Decision. The purpose of the MLearn platform is to provide the central and local public administration, as well as citizens and the business environment, as potential users of training services, with an information platform-system intended to constitute a mechanism for training employees, as well as to ensure access to information for the professional development of employees.
- MNOTIFY - Electronic notification system informing citizens and economic operators about the status of applications and services requested.
- Semantic Catalog - An electronic registry of standardized terms and definitions used in government systems, facilitating interoperability and collaboration between public institutions, development partners and economic agents.
- MTENDER is a platform for the management and transparency of public procurement processes, developed on the basis of a public-private partnership, with the aim of developing transparent and efficient public procurement.
- The EVO app, is an innovative mobile application developed by the eGovernment Agency with the support of the Future Technologies Project and funded by USAID, Sweden and the UK. Available on iOS and Android, EVO centralizes the main public services in a single platform, facilitating citizens' access to public documents and services through an intuitive and efficient interface. The app has key functionalities such as:
- Digital acts and digital wallet: Users can store and access digital acts, which are legally accepted in any interaction in accordance with "Law No. 321/2023 on stimulating the development and use of electronic services;
- Pay public services: View transaction history, search and pay taxes, fines and other public services;

- Notifications and preferences: Users receive notifications and can manage usage settings and payment tools;
- Health services: information about your insured status and access to your personal health data;
- Powers of attorney: Grant and receive power of attorney for various services. Using the app brings multiple benefits, such as cutting red tape and eliminating the need to go to Public Service Agency counters, services available online and from anywhere in the world.

Public services have varying degrees of utilization by final beneficiaries. Services with the highest utilization rates are: Import authorization for pharmaceutical products and registration certificate for medicines (provided by the Agency for Medicines and Medical Devices), road transport authorizations (National Agency for Road Transport), partial radiological authorization (National Agency for the Regulation of Nuclear and Radiological Activities), waste management authorization (Environment Agency), statistical and financial reports (National Bureau of Statistics), registration of taxable objects and forms of primary documents with special regime (State Tax Service), customs warehouse authorization (Customs Service), provision of topographic materials (Land Relations and Cadastre Agency), initiation/termination of employment contracts (National Health Insurance Company) and criminal record certificates for individuals and legal entities (Information Technology Service of the Ministry of Internal Affairs). Moderately requested digitized public services are: sanitary-veterinary authorizations for transport vehicles (National Agency for Food Safety), sanitary operating authorizations for facilities (National Agency for Public Health), certificates of non-preferential origin for goods (Chamber of Commerce and Industry of The Republic of Moldova) and nuclear/radiological safety certificates (National Agency for the Regulation of Nuclear and Radiological Activities).

Digital public services in low demand are: manufacturing authorization for medicines (Agency for Medicines and Medical Devices), individual export/import authorization for strategic goods, information on assets owned by natural or legal persons (Agency for Public Services), authorization for installation and operation of radio transmitters (Civil Aviation Authority), phytosanitary export/re-export certificates (National Agency for Food Safety), environmental impact assessments/notifications on transboundary transportation of waste (Environment Agency), generalized data transmission (National Bureau of Statistics), certificates on the absence of budget arrears, tax code assignment/online taxpayer registration (State Tax Service), temporary firearms permits/special category vehicle permits (National Public Health Inspectorate) and all services provided by the National Institute of Metrology. These services are less demanded by beneficiaries, including in physical mode.

3. The role of external assistance in building digital governance

3.1. Development partners in the e-government building process.

Development partners play a key role in the digitization of public services in the Republic of Moldova, providing financial support, technical expertise and assistance in the implementation of e-government projects. Each of these partners has a distinct and significant contribution to advancing the country's digital infrastructure.

The World Bank Group provides financial support in the form of loans and grants for projects to modernize public services and digital infrastructure. Through funded projects, such as the implementation of the national e-payment system (MPAY) and the national open data portal (DATE.GOV.MD), the World Bank contributes to increasing the efficiency and accessibility of public services. The World Bank is also providing technical expertise and advice in the development of digitization policies and strategies, thus contributing to the formulation of a sound strategic and operational framework for the implementation of digital technologies.

The European Commission financially supports various eGovernment projects through programs such as the European Neighborhood and Partnership Instrument, contributing to the improvement of digital infrastructure and public services in Moldova. Through training and support programs, the European Commission facilitates the development of the digital skills of civil servants, essential for the effective use of new technologies. The European Commission's contributions have been essential for the development of electronic signature (MSIGN), authentication (MPOWER) and interoperability (MCONNECT) platforms, which are fundamental for ensuring security and efficiency in digital interactions.

GIZ Moldova (Deutsche Gesellschaft für Internationale Zusammenarbeit)GIZ provides technical expertise in the development of e-government infrastructure and the implementation of specific projects, thus supporting institutional and operational capacity building of public administration. It organizes training programs and workshops to improve the digital skills of public sector employees, thus contributing to the adaptation and adoption of new technologies. GIZ has supported the development of the electronic notification (MNOTIFY) and electronic document delivery (MDELIVERY) systems, which are key to streamlining communication and document processing in the public sector.

UNDP (United Nations Development Program) provides both financial support and technical expertise for e-government projects, facilitating the implementation of innovative digital solutions in public administration. It promotes initiatives on transparency and access to information through open data portals and other digital platforms, thus contributing to increased accountability and efficiency of public institutions. UNDP has supported the development and implementation of

the Public Services Portal and other e-government platforms, ensuring citizens' access to efficient and transparent public services.

USAID (United States Agency for International Development) provides funding for digital infrastructure and e-government projects, contributing to the development and modernization of public services. Through dedicated projects (FTA, MESA, MISRA, PCRA) it provides expertise in the development and implementation of projects to digitize public services, thus supporting the digital transformation of public administration. USAID has supported various initiatives to modernize public services and improve access to them, thus contributing to increasing the efficiency and accessibility of public services, such as the development of Beeprotect.md,

UNFPA (United Nations Population Fund) supports digitization projects aimed at improving health and other essential public services, thus contributing to a better quality of life for citizens. It contributes to the development of digital platforms that facilitate access to information and services on reproductive health and sexual and reproductive health, thus ensuring access to essential services for all citizens. Provides support for the development and implementation of digital educational programs, thereby contributing to increasing digital literacy levels among the population.

Development Partners contribute significantly to the process of digitization of public services at the national level, having a direct collaboration with the Government of the Republic of Moldova, as well as with representatives of other sectors (education, agriculture), which through Associations and other subordinated state institutions implement digital solutions, test their efficiency and potential use and then present them to the Government.

Analysing the data published on the External Assistance Management Platform, we can mention that for digitization, on various intervention projects, in various sectors, approximately EUR 75, 67 million are allocated, but the digitization element has a primary role in the implementation and realization of projects in any field. The most important projects for digitization of public services currently being implemented are:

- Modernizing Government Services in the Republic of Moldova (MGSP), implemented with the support of the World Bank;
- EVO app, implemented with Future Technology Activity, funded by USAID, the Embassy of Sweden and UKAID;

3.2. E-government and achieving the SDGs

Development partners support the path of digitization of the Government of the Republic of Moldova, as this process contributes to building a transparent and efficient Digital Government, as well as to achieving the Sustainable Development Goals, according to the UN Agenda, by increasing efficiency, accessibility and

transparency. In the context of Moldova's 2030 Strategy, leveraging digital technologies can play a key role in advancing various aspects of sustainable development Goloshchapova et al. (2023, p. 112). The digitization of public services contributes to the achievement of the SDGs and aligns with Moldova's 2030 Strategy:

- SDG 9: Industry, innovation and infrastructure: Digitization stimulates innovation in public service delivery and infrastructure development. By investing in digital infrastructure and technologies, Moldova can improve connectivity, promote technological advances and stimulate economic growth.
- SDG 3: Good health and well-being: Digital health services improve access to health care and facilitate remote consultations, especially in rural or underserved areas. Moldova can implement telemedicine initiatives and electronic health records to ensure equitable access to healthcare for all citizens.
- SDG 4: Quality Education: Digitization enables the provision of online educational resources and e-learning platforms, expanding access to quality education. Moldova can invest in digital classrooms, educational apps and online courses to improve learning outcomes and promote lifelong learning opportunities.
- SDG 5: Gender Equality: Digitization can empower women by providing access to digital skills training, online employment opportunities and e-government services. Moldova can implement gender-sensitive policies and initiatives to bridge the digital gender divide and promote women's participation in the digital economy.
- SDG 8: Decent work and economic growth: Digitization creates new employment opportunities in the digital sector and increases productivity across industries. Moldova can support digital entrepreneurship, provide digital skills training programs and promote e-business to stimulate economic growth and create sustainable employment opportunities.
- SDG 16: Peace, justice and strong institutions: Digitalization promotes transparency, accountability and efficiency in public administration, reducing the risk of corruption and promoting good governance. Moldova can implement e-government solutions, such as online public procurement systems and e-voting platforms, to strengthen democratic institutions and increase citizens' trust.

In line with Moldova's Strategy 2030, digitization of public services should be accompanied by comprehensive policies, investments and capacity building initiatives. The strategy should prioritize the development of digital infrastructure, regulatory reforms to support digital innovation, and collaboration with stakeholders from the public and private sectors, civil society and academia. By effectively harnessing digital technologies, Moldova can accelerate progress towards achieving the SDGs and building a more inclusive and sustainable society by 2030.

An important element in the digitization process is the accession of the Republic of Moldova to the Digital Europe Programme, which is a crucial strategic

step for the digital development of the country. The Digital Europe Program, initiated by the European Union, aims to support the digital transformation of European society and economies through investment in digital infrastructure, digital skills and innovation. The program provides members with access to financial resources geared towards the development of digital infrastructure, the implementation of innovation projects, in particular the development of digital technology start-ups, support for SMEs[2] in the field of information and communication technologies, the modernization of public services and ensuring interoperability. Also, the list of objectives set out in the program stipulates the need to develop digital competences through various training and certification programs, to ensure the integration of partner countries in the European digital market, to increase the institutional capacities of the Government through the transfer of best practices and know-how and to stimulate the digital economy through the development of specialized companies in the field and job creation in the ICT industry[3] and other related fields. Joining the programme will support the Republic's journey and contribute to the strategic goal of digitization of 100% of current public services.

The digital transformation of public services in the Republic of Moldova is essential for modernizing the administration and improving the interaction between government and citizens. This process, guided by national strategic documents, has a significant impact on the business sector, facilitating economic growth and stimulating innovation.

4. The role of digitalization of public services on the business environment

4.1. Business use of public services

The digitalization process contributes significantly to strengthening the dialogue between the administration and the business environment. The business environment, being the guarantor of the state's economic development, needs quality, fast, efficient and low-cost public services. While policies with an impact and binding force have been drawn up and approved at the stage of educating economic agents, at the current stage economic agents understand how useful digital public services are. This is demonstrated by the fact that daily traffic on the services.gov.md platform reaches 13.2 thousand users. A comparative analysis of other specialized service platforms shows that the business community uses the platform services.fisc.md[4] on a daily basis, with an average daily traffic of 9.3

---

[2] Small and medium-sized enterprises.

[3] Information and communication technologies.

[4] Servicii.fisc.md - specialized platform for tax and statistical reporting to relevant institutions, which also includes e-factura.fisc.md, a module for issuing tax invoices.

thousand people, 70% of whom use the e-invoice module, which is designed for the automatic issuance of tax invoices for economic agents. Compared to public services for certain categories of economic agents, the Republic of Moldova is in the process of education and transition. This is demonstrated by the data delivered by the platform Beeprotect.md[5] , which has a daily traffic of 100 people.

At the end of 2023, according to STISC data, there were 266,155 active public keys of advanced e-signatures, which is an increase of 105% compared to 2022. Data provided by mobile companies show that citizens still have 119,813 digital signatures, the number of applications is also increasing, about 4.5 times compared to 2022.

This significant increase in the use of e-signatures indicates a high level of confidence and adaptation of businesses to new digital technologies.

In a context of exponential growth, the eGovernment Agency annually measures the level of assimilation and perception of public services by the population and the level of satisfaction of beneficiaries. Thus, the level of satisfaction of beneficiaries is 76.3% and the majority of respondents (57.2%) consider that the implementation of eGovernment will bring many advantages and benefits to citizens. The main improvements expected as a result of the reform in modernizing government services include:

- Eliminate corruption;
- Fewer visits needed to access public services;
- Reducing costs;
- Reduce the amount of paperwork needed;
- Reduce the time it takes to get a service.

Among the most used public services accessed by business are: electronic tax services (34.0%) and electronic cadastral services (22.3%).

4.2. The role of digitization in making the business environment more efficient

Digitization of public services not only simplifies and streamlines administrative processes, but also stimulates innovation and competitiveness, contributing to a more transparent business environment conducive to economic development. Chen et al. (2021, p.3). In addition to simplifying administrative processes, digitization of public services significantly reduces operational costs for businesses. Automation and quick access to information reduce the time needed to obtain official documents and allow businesses to focus more on productive activities. For example, the implementation of the e-invoice system on the services.fisc.md platform has considerably simplified the process of issuing and managing tax invoices, eliminating the need for paper documents and reducing

---

[5] Specialized software designed to facilitate communication between farmers and beekeepers and to inform them about spraying.

human errors. This has led to substantial savings in time and resources, thus increasing the efficiency and productivity of businesses.

In addition, digitization helps improve transparency and reduce corruption in public-private interactions. Through digital platforms, all transactions and applications are recorded and tracked, which reduces the risk of unethical practices and fosters a fair business climate. For example, the use of advanced electronic signatures ensures the authenticity and integrity of documents, making them difficult to forge or manipulate. This increased level of security and trust facilitates a more secure and predictable business environment, thereby attracting investment and contributing to long-term economic stability. In the process of digitization of public services, significant investments have been made to modernize the IT infrastructure and develop the necessary platforms. For example, in the period 2020-2023, the Government of the Republic of Moldova has allocated approximately USD 30 million for digitization projects, including the modernization of IT systems and staff training. These investments were essential to ensure the functionality and security of digital platforms serving businesses and the general public.

On the other hand, the economic benefits of digitizing public services are considerable. According to a report by the Ministry of Economy, the savings to economic agents through reduced administrative time and costs have been estimated at around 15 million dollars annually. Also, the introduction of electronic signatures and e-invoicing has led to additional savings of about 5 million dollars annually by reducing paper costs and processing errors. Thus, in the medium and long term, digitization contributes not only to streamlining processes, but also to increasing the economic competitiveness of businesses in the Republic of Moldova.

For entrepreneurs, this shift to digitized public services translates into direct and tangible benefits. The reduction in time spent on bureaucratic tasks means that business owners can allocate more resources to core activities, such as innovation and market expansion. Furthermore, the increased transparency and security of digital interactions with the government reduce the risk of fraud and legal issues, making the business environment more stable and attractive for both local and foreign investors. The cost savings achieved through reduced paperwork and faster processing times enhance profit margins, allowing businesses to reinvest in growth and development. Ultimately, these improvements not only boost individual business performance but also contribute to a more robust and dynamic economy, positioning the Republic of Moldova as a more competitive player in the regional and global markets.

Conclusions

The academic literature uses a variety of terms for the integration of ICT in the modernization of administrative functions, such as e-government, e-governance and digitization. The concept of e-government, which emerged in the 1990's, aims

to improve the efficiency and accessibility of public services through the use of the web and ICT. e-government models are often presented as linear and progressive processes, but become normative when they describe a fully developed system, assuming that increased interaction with citizens improves services.

Digital transformation involves fundamental institutional and cultural changes, affecting organizational structures and interactions with citizens. Contemporary literature prefers terms associated with digitization due to the perception of e-government as unrealized and limited. Technological advances and new demands for transparency and participation underline the need for comprehensive digitization in order to achieve sustainable and profound changes in public governance.

The adoption of eGovernment concepts establishes the most efficient model of communication between the government and its citizens, ensuring the delivery of high-quality services.

The digital transformation of the Republic of Moldova is being achieved through a step-by-step and well-structured process, with each step contributing to building a modern and efficient government system. Digital signatures play a central role in this process, ensuring the authenticity, integrity and security of electronic transactions and documents.

The digital transformation of public services, supported by development partners, is essential for the country's progress. This transformation contributes to sustainable development goals and alignment with national development policies;

Moldova's accession to the DIGITAL EUROPE PROGRAM has multiple strategic, economic and social advantages. Access to funding and resources, development of digital competences, integration into the European digital market, increased institutional capacity and stimulation of the digital economy are just some of the benefits that this initiative would bring. In the context of accelerated globalization and digitalization, active participation in this programme would significantly contribute to the digital transformation of the Republic of Moldova, positioning it favourably on the European and global scene.

For developing countries like Moldova, external assistance serves as a catalyst and promoter of local digital transformations, facilitating progress and innovation.

The financial resources provided through programs like DIGITAL Europe are not only aimed at developing innovative solutions, but also include components for expertise and public education, ensuring a comprehensive approach to digital progress.

Development partners are key to Moldova's digital growth, providing continuous support from the initial stages and throughout the entire development process, ensuring sustainable progress and integration into the digital landscape.

The digital transformation of public services in the Republic of Moldova has had a profound impact on the business sector, facilitating economic growth and innovation. Services such as MPay, MSign, MCabinet, MNotify and the Electronic

Tax Service have streamlined administrative processes, increased transparency and improved legal and tax compliance. By cutting red tape and facilitating access to information and resources, these digital solutions have created an enabling environment for business growth and boosted competitiveness in the global marketplace. In conclusion, digital transformation continues to be a crucial factor for the sustainable development of the Moldovan economy and society.

References:

AID Management Platform. (n.d.). https://amp.gov.md/

Bannister, F., & Connolly, R. (2014). ICT, public values, and transformative governance: A framework and research agenda. *Government Information Quarterly, 31*(1), 119-128. https://doi.org/10.1016/j.giq.2013.06.002

Bannister, F., & Connolly, R. (2020). The future is not what it used to be: Forecasting the impact of ICT on the public sphere. *Government Information Quarterly, 37*, 101410. https://doi.org/10.1016/j.giq.2019.101410

Bednar, P., & Welch, C. (2020). Socio-technical perspectives on smart work: Creating meaningful and sustainable systems. *Information Systems Frontiers, 22*(2), 281-298. https://doi.org/10.1007/s10796-019-09921-1

Chen, C.-L., Lin, Y.-C., Chen, W.-H., Chao, C.-F., & Pandia, H. (2021). The role of government in enhancing digital transformation in small service enterprises. *Sustainability, 13*(3), 1028. https://doi.org/10.3390/su13031028

Ciochina, E. (2023). Enhancing SME performance through digital public services in Moldova. In *Adapting Public Services to the Technological Challenges and to the Business Environment Expectations* (3rd ed., pp. 48-49). Chișinău: Departamentul Editorial-Poligrafic al ASEM.

Coursey, D., & Norris, D. F. (2008). E-Governance models: Are they accurate? An empirical assessment. *Public Administration Review, 68*(3), 523-536. https://doi.org/10.1111/j.1540-6210.2008.00888.x

Digital Transformation Strategy 2023-2030. (n.d.).. https://www.egov.md/sites/default/files/document/attachments/strategia_de_transformare_digitala_2023-2030.pdf

Goloshchapova, T., Yamashev, V., Skornichenko, N., & Strielkowski, W. (2023). E-Government as a key to economic prosperity and sustainable development in the post-COVID era. *Economies, 11*(1), 112. https://doi.org/10.3390/economies11040112

Hiller, J. S., & Belanger, F. (2001). Privacy strategies for electronic government.. http://www.businessofgovernment.org/report/privacy-strategies-electronic-government

Holliday, I. (2002). Building e-Government in East and Southeast Asia: Regional rhetoric and national (in)action. *Public Administration and Development, 22*(4), 323-335. https://doi.org/10.1002/pad.218

Joseph, S. (2015). Advantages and disadvantages of implementing e-Government: A literature review. *International Journal of Marketing and Technology, 5*(1), 18-34.

Lindgren, I., Madsen, C. Ø., Hofmann, S., & Melin, U. (2019). Close encounters of the digital kind: A research agenda for public sector digitalization. *Government Information Quarterly, 36*(3), 427-436. https://doi.org/10.1016/j.giq.2019.03.002

Lungu, T., Marin, D., & Cebotari, S. (2022). Digitalizarea serviciilor sociale în Moldova: rezultate, provocări, tendințe. In *Sociologia și asistența socială: cercetare și profesionalizare* (pp. 124-130). Chișinău.

Meijer, A., & Bekkers, V. (2015). A metatheory of e-Governance: Creating order in a fragmented research domain. *Government Information Quarterly, 32*(3), 266-271. https://doi.org/10.1016/j.giq.2015.04.006

Mergel, I., Kattel, R., Lember, V., & McBride, K. (2018). Citizen-centered digital transformation in the public sector. *Proceedings of the 2018 ACM Conference on Supporting Group Work*, 1-3. https://doi.org/10.1145/3209281.3209294

Mundy, D., & Musa, B. (2010). Towards a framework for e-Government development in Nigeria. *Electronic Journal of e-Government, 8*(2), 148-161.

Nam, T. (2019). Does e-Government increase effectiveness and efficiency? An examination of the transnational effect. *Journal of Global Information Management, 27*(1), 120-138. https://doi.org/10.4018/JGIM.2019010108

National Development Strategy "Moldova 2030". (n.d.).. https://gov.md/ro/moldova2030

National Plan "Building European Moldova". (n.d.).. https://mded.gov.md/planul-national-construim-moldova-europeana/

Reporting of Electronic Government Agencies. (n.d.).. http://www.egov.md

Sagarik, D., Pananda, C., Chansukree, W., & Berman, E. (2018). e-Governance 4.0 in Thailand: The role of central agencies. *Information Polity, 23*(4), 343-353. https://doi.org/10.3233/IP-180006

Sharma, G., Bao, X., & Qian, W. (2012). Empirical investigation on adoption of e-Governance services in developing countries and ethical issues. *International Journal of Advanced Research in Computer Science and Software Engineering, 2*(12), 19-27.

Sharma, S., & Gupta, J. (2003). Building blocks of an e-Government: A framework. *Journal of Electronic Commerce, 8*(2), 1-19.

Siau, K., & Long, Y. (2009). Factors influencing the development of e-Government. *Journal of Computer Information Systems, 50*(1), 98-107. https://doi.org/10.1080/08874417.2009.11645367

Vassos, T. (2013). Advantages & disadvantages of e-Governance.. http://www.ehow.com/info_8473642_advantages-disadvantages-ego vernance.html

West, M. (2004). Effective teamwork: Practical lessons from organizational research. *Journal of Management Development, 23*(1), 50-65. https://doi.org/10.1108/02621710410516070

Change and continuity in the EU's "state building-security nexus" in Ukraine. A historical institutional perspective

Ⓘ **Lucian Dumitrescu** ✉

Institute of Political Science and International Relations of the Romanian Academy

Abstract: While the 2014 Annexation of Crimea has been presented by the scholarly literature as leading only to an incremental change in the state-building and foreign policy practices of the EU towards Ukraine, the 2022 invasion of the Russian Federation has been assessed as a critical juncture that has finally turned the EU into a geopolitical actor. The research question that my presentation seeks to answer to is whether the dynamic of the EU's 'state-building security nexus' in Ukraine could be looked at with a different conceptualization of institutional change, one that goes beyond the already traditional dichotomy between incremental change triggered by endogenous factors and the radical change that could be caused by a critical juncture like the 2022 War in Ukraine. By relying on historical institutionalism – an approach that still tries to find its place in an academic field that is clearly dominated by either rational institutionalism or constructivist institutionalism -, I trace two aspects of institutional change, i.e., speed and depth, that the EU's 'state building – security nexus' has undergone since 2014. Specifically, I bring under scrutiny three types of evolutions related to the EU's 'state-building security nexus' in Ukraine: strategic thinking, state building practices, and foreign policy actions. As I am interested in the evolution of the abovementioned aspects in the long run, my presentation also seeks to trace their dynamic after 2022. To this end, I employ process tracing as a research method, while the data that I use come from both primary sources, i.e., official documents of the EU, and secondary sources, that is, scholarly literature.

Keywords: geopoliticization process, security-development nexus, historical institutionalism, comprehensive action, integrated action

Introduction

In an article titled "Europe's Geopolitical Confusion", Hans Kundnani notes the "consensus" (Kundnani, 2023) according to which the European Union needs to "become more geopolitical" (Kundnani, 2023) in the aftermath of the 2022 Russian invasion of Ukraine. It is difficult to assess precisely whether such consensus has ever occurred. This notwithstanding, Ursula von der Leyen promised a more "geopolitical commission" in 2017 when she took over the presidency of the

---

✉ Lucian Dumitrescu works as a researcher at the Institute of Political Science and International Relations of the Romanian Academy; e-mail address: dulust@gmail.com

European Commission, while the EU's *Strategic Compass for Security and Defence* (SCSD) that was issued shortly after the start of the 2022 War in Ukraine comprises geopolitically-driven terms, such as "the EU's geopolitical awakening" or the "geopolitical posture" of the EU. Moreover, Chancellor Scholz mentioned in 2022 a *Zeitenwende*, that is, "a historical turning point" (Ash, 2023, p. 74), in the aftermath of which Germany committed to a significant increase in defense spending, while in the 2024 *Annual Progress Report of the Implementation* of the SCSD, Mr. Josep Borrell argues that the EU needs to "learn the language of power". Also, answering to Hans Kundnani, Zaki Laïdi holds that "<Geopolitical Europe> (GE) is certainly not a theory (…) but a condition for Europe's survival" (Laïdi, 2023).

In my view, "Geopolitical Europe" is first of all a theory. True, a "security theory" (Mearsheimer and Rosato, 2023), as any great power's grand strategy is both theoretically- and practically-driven. To Kundnani, however, the trouble with the EU's newly acquired geopolitical profile lies in the fact that, conceptually speaking, geopolitics continues to be an empty-signifier that could have at least five meanings: "straightforward synonym for international relations, the role of geography in international politics, the strategic use of military tools, synonym for <power politics>" or, finally, "to capture a shift away from economic liberalism or the pursuit of economic objectives" (Kundnani, 2023). Yet geopolitics could still be employed successfully as long as it deals with the impact that geographical conditions, understood as "a set of opportunities and contraints", "general patterns for long-term processes", and also "causal mechanisms" (Scholvin, 2016, p. 6), could have on strategic behaviours. This text has no intention to delve into the meaning of geopolitics nor into a fuzzy concept such as "Geopolitical Europe". Moreover, I argue that it is still too soon to assess whether the 2022 invasion of Ukraine by the Russian Federation has already turned into a *Zeitenwende*. That is, a "critical juncture" (Collier & Munck, 2022) in the aftermath of which a "Geopolitical Europe" may have emerged. Normally, historical institutionalists who support the theory of radical institutional change caused by exogenous shocks need more time to assess whether a process of sweeping institutional change has really occurred. Instead, by employing historical institutionalism in the field of international relations (Rixen at al., 2016), this text investigates whether the European Union, understood as "structural power" (Strange, 1987) has been undergoing a "geopoliticization" (Meunier and Nicolaidis, 2019) process since the 2014 illegal annexation of Crimea by the Russian Federation. This text poses three research questions. In terms of security theory, has the alleged "geopoliticization" process made the EU's strategic thinking "more ambitious, more political" (Tardy, 2017, p. 3) in the last decade? In terms of security practice, has the "geopoliticization" process led to a transition in EU's state building policies in Ukraine from a comprehensive to an integrated approach? Could one notice a convergence between EU's security theory and security practice in Ukraine after the 2014 Russian annexation of Crimea?

The article is divided into four parts. The first section is theoretical and methodological and addresses the main concepts, that is, structural power and the "geopoliticization" process, and also the overall approach that the article is premised on, that is, historical institutionalism in international relations. The second section seeks to explain the "state building-security nexus" in Ukraine and whether this stands for a gradual transformation of the already classical security-development nexus that the EU used in dealing with crises in its neighbourhood. The following two sections are empirical and are based on data that come from either EU's strategic documents or scholarly literature. While the third section addresses the incremental change that has been taking place in the EU's strategic thinking since 2014, the fourth section looks at the strategic practices that the EU has employed since 2014, with a focus on the "state-building security nexus" in Ukraine.

1. Clarifying the main concepts and the method of research

The scope of this section is to unpack the main concepts that this text relies on, that is, structural power and the process of "geopoliticization". Also, the method that I have employed to gather the empirical data will be addressed in this section. But before I delve into the main concepts of the text, I bring into discussion Keukeleire and Delreux's approach of the EU as a structural power. What sets a structural power apart from other powers is the former's interest in shaping "*structures* in a given space (i.e. country, society, region or global level)" (Keukeleire & Delreux, 2015, p. 44) and also "to produce sustainable effects" (ibidem). These sustainable effects emerge when structures have set in, even when the support of the structural power has been withdrawn and disrupting conditions occur. Structures consist in "relatively permanent organizing principles, institutions and norms that shape and order in a given space the various interrelated sectors (such as the political, legal, economic, social or security sector)" (Keukeleire & Delreux, 2015, p. 44). Keukeleire and Delreux argue that EU's structural practices have largely failed to achieve their objectives in both the Eastern and Southern neighbourhood, due to the fact that EU's neighbourhood policy "reflected more the EU's internal policy agenda than it resonated with the specific demands, priorities and sensitivities of the regions concerned" (2015, p. 46). It is beyond the scope of this article to assess whether the EU's state building policies in Ukraine have reached the expected effects between 2014 and 2024. Rather, what it of interest for this article is to investigate whether the EU has undergone a "geopoliticization" process both in terms of strategic thinking and state building policies in Ukraine. In other words, this "geopoliticization" process traces, first, the incremental changes – if any – that may have occurred in the EU's strategic thinking in the aftermath of the 2014 Russian annexation of Ukraine. And, second, whether the EU has made the transition from a comprehensive to an integrated approach in dealing with the conflict in Ukraine. The approach that I have employed in order to investigate the above is a particular type

of historical institutionalism, that is, historical institutionalism in the realm of international relations.

There are a couple of reasons for which I have employed historical institutionalism as the main approach of this text. First of all, the article pays heed to the "geopoliticization" process of the European Union after the 2014 annexation of Ukraine by the Russian Federation. In short, the article is interested in scrutinizing a long-term process that spans 2014 to 2024. To this end, historical institutionalism is a suitable approach (Peters, 2019). Second of all, the article brings under scrutiny the changes – which at face value seem to be gradual rather than radical – in both the strategic thinking and strategic practice of the European Union in the course of the last decade. Last but not least, historical institutionalism and the second wave of historical sociology that emerged in the 1970s and the 1980s in the United States have looked into the process of state building in different social and political settings. Broadly speaking, historical institutionalism seeks to unravel institutional change and concerns itself with either radical change, that could emerge in the aftermath of a critical juncture, or gradual institutional change. The premise that the article is built on is that, at least to date, the "geopoliticization" process of the European Union did not start in the aftermath of the 2022 Russia's invasion of Ukraine. Therefore, no critical juncture has occurred so far in this regard. Rather, the "geopoliticization" process of the EU, which may consist in a gradual convergence between the EU's strategic theory and strategic practice, started in the aftermath of the 2014 annexation of Crimea by the Russian Federation. Instead of focusing on already classical types of incremental institutional change, such as layering, drift, displacement and conversion (Peters, 2019, p. 92), the article is interested in scrutinizing the *speed* and *depth* of change in the EU's strategic thinking and strategic practice between 2014 and 2024. Speed and depth are dimensions of institutional change according to those authors who have brought historical institutionalism in the realm of international relations. Thus, "*speed* refers to the rate of change. Speed can be understood as the extent of change divided by the time it takes to occur" (Rixen et al., 2016, p. 19). Depth of change refers to what happens with certain attributes of an institution while this is facing significant change. By coping with change, do these attributes strengthen and, therefore, the institution under scrutiny becomes more robust? Or, on the contrary, these attributes tend to weaken and, thus, a particular institution ends up displaying lack of resilience when faced with a crisis situation?

The concept of structural power comes from the field of international political economy, was coined by Susan Strange in the late 1980s and, theoretically, could strike the right balance between a too liberal or too realist understanding of the European Union. Moreover, with its emphasis on both direct and indirect influence, structural power could be appropriate for adequately grasping a "complex and fragmented institution such as the EU" (Holden, 2009, p. 7). In an article published in September 1987 and titled *The Persistent myth of lost hegemony*, Strange holds that "Structural power is the power to choose and to shape the structures of the global

political economy within which other states, their political institutions, their economic enterprises, and (not least) their professional people have to operate" (Strange, 1987, p. 565). What is worth mentioning is that, according to Strange, one could find structural power into four interrelated structures that are redolent of the sides of a pyramid. In other words, each structure supports the other ones. Broadly speaking, in order to attain the status of structural power in world politics, a given state needs to hold a prominent position simultaneously in the following fields: security, credit, knowledge and production. Unlike relational power, that is, the power that A wields over B so that the latter ends up adopting a behaviour that normally would have rejected or refrained from adopting it, structural power needs to be legitimate in order to become authority. To this end, structural power refers to "power over the way things are done and the beliefs sustaining the way things are done" (Strange, 1997, p. 4). I found intriguing especially the latter aspect of structural power which does not exclusively refer to institutions. The non-tangible factors that a structural power employs in order to exert influence consists in "customs, usages, and modes of operation rather than the more narrow definition that stays closer to state – state agreements and state – centered institutions" (Strange, 1989, p. 30). Therefore, a structural power has the ability to also wield indirect and unintentional influence through institutions (Kitchen & Cox, 2019, p. 9).

Beside structural power, the article also relies on the concept called the "geopoliticization" process of the EU, which spans 2014 to 2024. In an article published in 2019, Meunier and Nicolaidis argue that the EU, apart from using trade politically in order to shape institutional change in different countries, started employing trade also in a geopolitical vein. Specifically, the EU resorts to trade in order "to change the global balance of power" (Meunier & Nicolaidis, 2019, p. 103) and "to affect global politics" (Meunier & Nicolaidis, 2019, p. 105). Other authors hold that in order to understand the "geopoliticization" process of the EU one needs to look at how external pressured have led to the "reframing of liberally framed issues into matters of global power competition" (Herranz-Surrallés et al., 2024, p. 5). From this perspective, three degrees of geopoliticization tend to emerge. That is, *superficial geopoliticisation*, which occurs when only a slight change in policy takes place despite geoeconomics international pressures; *reluctant geopoliticisation* which consists in a change in means but not in a change regarding the liberal goals of the policy; and, finally, *deep geopoliticisation*, "when both goals and means become geoeconomic" (Herranz-Surrallés et al., 2024, p. 7). In sum, geopoliticization refers to both a practical dimension – the use of trade to afflict the balance of power at an international level – and a discursive component – a realist framing of aspect that had been previously defined in a liberal vein. Regarding the latter aspect, Herranz-Surrallés defines "geopoliticization" as a policy frame (Herranz-Surrallés, 2024, p. 2). Thus, by sidelining a liberal frame, geopoliticization drives the process of adopting policies that are geared towards either creating strategic asymmetries or gaining strategic advantages over competition (Herranz-

Surrallés, 2024, p. 5). Due to this emphasis on the discursive component, geopoliticization comes closer and closer to securitization. However, unlike securitization which deals with existential threats to a community, geopoliticization tends to be softer as it deals with "more diffuse considerations of competition and strategic rivalry" (Herranz-Surrallés, 2024, p. 2). The method that this article relies on for gathering data is specific to historical institutionalism and consists in a "qualitative case study research that builds on dense , empirical description" (Rixen et al. 2016, 11).

2. The EU's "state building-security nexus" in Ukraine. An incremental change of the security-development nexus?

Another important concept that this article is premised on is the EU's "state building-security nexus" in Ukraine. In my view, the "state building-security nexus" stands for the embodiment of the EU's "geopoliticization" process in terms of both strategic thinking and strategic practice over the last decade. Not only shows the "state building-security nexus" how a rising structural power like the EU deals with conflict in its Eastern neighbourhood but it also reveals a gradual transition of the European Union from employing exclusively low politics when coping with crises to increasingly using high politics. Thus, the "state building-security nexus" could offer a more complex understanding of the European Union, as a structural power that is interested in both its legitimacy and the accumulation of power in its Eastern neighbourhood. Under such circumstances, it would be completely naïve to think that the EU, as a structural power, is only interested in a normative agenda while completely loosing sight of a geostrategic one in its neighbourhood.

What this section seeks to show is the incremental transformation of the EU's already known security-development approach to conflicts to the "state building-security nexus". Rabinovych maintains that the Support Group for Ukraine (SGUA) and also the European Union Advisory Mission in Ukraine (EUAM) show that the EU employed a comprehensive approach in Ukraine after 2014, the instantiation of which resides in two practices, that is, the implementation of the Association Agreement starting with 2017, and the "ambitious non-ENP state-building measures" (Rabinovych, 2019, p. 9). Rabinovych's point regarding the unusual state-building practices of the EU in Ukraine is supported by Härtel's "a kind of <state building-security nexus> that has emerged in the EU's strategic thinking and actions in Ukraine" (2023, p. 282). According to Härtel, the abovementioned nexus occurred in 2015 and marked a significant shift in emphasis regarding EU's vision on reforms from democratization to conflict resolution (ibidem).

In an attempt to decipher whether the EU's development policy had undergone a securitization process, Mark Furness and Stefan Gänzle made a clear-cut difference between the security interests of the donor and the development priorities of the partner countries (Furness & Gänzle, 2016, p. 140). The conclusion that these two

authors reach is that development has been an integral part of the EU's global engagement due to the fact that security policies continue to be dominated by the member states. This notwithstanding, the development policy of the EU could get some salient security overtones like in the Sahel region. Once the European Union is understood as a structural power, it comes as no surprise that, depending on the regional and international context, practices that have been – sometimes exclusively – framed in a liberal vein could also be conceptualised in a realistic manner. Here is what Holden has to say regarding the EU's development policy, the EU's promotion of democracy and human rights, and Eastern enlargement. "In all these cases there are multiple objectives and they can be interpreted in terms of normative/idealist, security, commercial and strategic objectives, but in particular as structural power objectives" (Holden, 2009, p. 18).

The interdependence between security and development occurred in the 2003 European Security Strategy (ESS) which states that "security is a precondition of development" (ESS, 2003, p. 30). Also, ESS reveals that state failure represents "an alarming phenomenon, that undermines global governance, and adds to regional instability" (ESS, 2003, p. 32). In the 2008 *Report on the Implementation of the European Security Strategy*, the security-development nexus is mentioned once again and tied to sustainable development, which cannot occur in the absence of peace and security (ESS, 2003, p. 19). In the 2004 *European Neighbourhood Policy*, security is coupled with stability and well-being (ENP, 2004, p. 3). Following the 2004 enlargement, the EU sought to disseminate security, stability and well-being to the neighbouring countries and to prevent the occurrence of new dividing lines. The 2011 *Strategy for Security and Development in the Sahel* reveals that the "inter-dependence of security and development" could leave its mark on the stability of the region and also on the ability of states to deal effectively with poverty and security threats. State building and capacity building are key requirements for the economic resilience of the EU's neighbouring countries according to the 2015 *Review of the European Neighbouring Policy*. Last but not least, the 2016 *EU's Global Strategy* also brings into discussion the security and development nexus. Arguably, it is beyond the scope of this text to offer an exhaustive image of the security-development nexus in the EU's strategic documents. The objective lies elsewhere and takes aim at revealing that the security-development nexus has been approached by the EU with a comprehensive approach which then turned into an integrated one. This incremental change in both the discursive and strategic practices of the European Union represents the topic of the following empirical sections.

3. From the comprehensive to the integrated approach in the EU's strategic documents

The EU's security-development nexus has been constantly plagued by coherence problems. While aspects pertaining to security and defence largely fall

under the responsibility of member states, development issues have been dealt with by both the Commission and the member states who "have parallel, sometimes overlapping and sometimes even competing policy frameworks and country-level engagements" (Furness & Gänzle, 2016, p. 8). It is beyond the scope of this section to delve into the institutional change that have occurred at the level of the European Union in order to strengthen the coherence of the security-development nexus, such as the ability of the European External Action Service (EEAS) to bring together the – often – diverging interests of the European Commission and of the EU's member states. Instead, the process that this section tries to bring under scrutiny is related to the transition of the EU's strategic thinking from a comprehensive approach to an integrated one in dealing with crisis situations. This process shows that the EU's security theory or strategic thinking has undergone an incremental change in the last decade. First, this section traces these concepts – comprehensive approach and integrated approach – in the main strategic documents of the European Union, with a particular focus on the one that were issued between 2014 and 2024. Second, the section addresses the difference between comprehensive and the integrated approach in order to understand whether this stands for an incremental change in the EU's strategic thinking.

As already stated, the section pays heed mostly to the EU's strategic documents that were issued between 2014 and 2024 in order to highlight the gradual change from the comprehensive to the integrated approach in dealing with crisis situations. Yet, as the security-nexus development had been plagued by coherence problems before 2014, I also seek to understand whether – and how - the concept of comprehensive approach was addressed in the initial strategic documents issued by the EU. Despite the fact that the security-development nexus is mentioned for the first time in the 2003 *European Security Strategy*, this formal document makes no reference to the comprehensive approach. Yet ESS clearly states that "greater coherence is needed not only among EU instruments but also embracing the external activities of the individual member states" (ESS, 2003, p. 41). Five years later, the 2008 *Report on the Implementation of the European Security Strategy* mentions "a comprehensive EU approach" (ESS, 2003, p. 14) required for international cooperation in the field of cyber security. This notwithstanding, neither ESS nor the 2008 Report come up with a fleshed-out concept of comprehensive approach, an aspect that shows that in this regard the EU's strategic thinking was at an initial phase of development. Unsurprisingly, the 2004 EU's *Neighbourhood Policy* (ENP) does not bring to the fore the concept of comprehensive approach. What the ENP does mention, though, is a "comprehensive neighbourhood policy" (ENP, 2004, p. 6) that could create conducive conditions for the EU's neighbouring countries to cash in on the EU's enlargement in terms of stability, security, and well-being. Save by a reference to "holistic approaches to security", the comprehensive approach has no place in the 2011 *Strategy for Security and Development in the Sahel*. Indirectly announced by the 2007 Treaty of Lisbon, the concept of comprehensive approach

gets fleshed-out in the 2013 EU's comprehensive approach to external conflict and crises. Beside the fact that "comprehensiveness" refers to the "the joined-up deployment of EU instruments and resources, but also to the shared responsibility of EU-level actors and Member States", what is worth stressing about this strategic document is its emphasis on eight measures that aim at improving the coherence and effectiveness of the EU's external action in dealing with crises. These measures are the following: develop a shared analysis, define a common strategic vision, focus on prevention, mobilise the different strengths and capacities of the EU, commit to the long term, linking policies and internal and external action, make better use of the EU delegations, and work in partnership. In the aftermath of the 2014 Annexation of Crimea by the Russian Federation, the 2016 *EU's Global Strategy* came up with the concept of integrated approach. This document brings-out the many dimensions of conflicts in the Eastern and Southern fragile states. To deal effectively with such conflicts, the EU needs to forge an integrated approach that is *multi-dimensional* – it implies the use of all available policies and instruments -, *multi-phased* – the EU gets involved in all stages of the conflict -, *multi-level* – in order to solve a conflict, EU gets involved at the local, national, regional, and global levels -, *multi-lateral* – all parts involved in a conflict will be approached by the EU. The instruments that the EU could resort to in order to implement its integrated approach in dealing with conflicts in its neighbourhood are multi-dimensional, that is, "diplomatic, security, defence, financial, trade, development cooperation and humanitarian aid", according to the 2018 *Council Conclusions on the Integrated Approach to External Conflicts and Crises*. The 2022 *Strategic Compass* makes reference to the "process of strategic convergence" in dealing with crises and also "our efforts to implement our integrated approach to security, conflicts and crises".

Launched in 2013, the EU's comprehensive approach to crisis and conflict situations encompasses simultaneously two levels, a tactical and a strategic one. The tactical level is represented by the civil-military cooperation (CIMIC), while the strategic, political and institutional level finds its expression in the civilian-military coordination (CMCO). CIMIC hardly represents a novelty in strategic thinking , as it stands for a military doctrine that the EU has borrowed from NATO. In contrast, CMCO has been coined by the EU in order to mitigate the potential divergences between the security agenda of the Council and member states on one hand, and the European Commission's development, cooperation and humanitarian nexus, on the other hand. The objective of the EU's comprehensive approach was twofold. First, to come up with "a more holistic crisis response capacity" (Faleg, 2018, p. 2), and, second, to alleviate the diverging agendas and interests of EU institutions. In the case of NATO, the comprehensive approach has been inserted into the 2010 NATO's Strategic Concept that stressed the necessary connection among political, civilian and military approaches in order to deal effectively with crisis situations. The comprehensive approach has also played an important role on the agenda of OSCE since the 1975 Helsinki Final Act with its three dimensions, that is, the politico-

military, the economic-environmental and the humanitarian one. EU's integrated approach to conflicts and crisis situations was introduced by the 2016 *EU's Global Strategy*. The rationale behind the integrated approach was to simultaneously deepen and clarify the institutional rules that would allow the EU, at least in theory, to be able to mobilise more swiftly and easily collective action when dealing with crisis situations. Exactly as in the case of the comprehensive approach, the integrated approach was hardly a conceptual novelty back in 2016. As a strategic concept and also as a policy aimed at maximizing the impact of collective resources, the integrated approach has witnessed at least three waves of development since 1992 within the United Nations (Faleg, 2018, p. 5). Therefore, in terms of innovation regarding strategic theory, the EU proved once again to be a follower in 2016, an aspect that in itself could speak volumes about the ability of the EU to bring as close as possible its strategic theory and strategic action. At face value, there was no conceptual difference between the comprehensive and the integrated approach in 2016 (Tardy, 2017). On closer examination, though, some important difference stood out. First, the comprehensive approach was devised in a rather technical vein, as a process that aimed at better cooperation among the institutions of a composite actor such as the EU (Tardy 2017; Faleg, 2018). Second, the integrated approach showed a different level of ambition of the EU, especially with its emphasis on multi-phased and multi-level actions. In other words, the EU is not only expected to get involved in all stages of a conflict but also to deal with crisis at local, national, regional, and global levels (Tardy, 2017). Third, the integrated approach presented itself as "more strategic" (Tardy, 2017) by bringing together the political, economic and security aspects of the EU's response to crisis. In practice, the transition from the comprehensive to the integrated approach should result in "a true change in the EU's organizational culture" (Faleg, 2018, p. 4). Whether this "true change" has really occurred in the aftermath of the 2022 Russian invasion of Ukraine represents an interesting research question. In terms of EU's strategic thinking, though, the transition from a comprehensive to an integrated approach to conflicts stands for a gradual change, in the sense that the EU's security theory has become "more strategic".

4. The state building security nexus in Ukraine. The evolution of the EU's strategic practices from a comprehensive to an integrated approach?

What is of interest for this section is whether the EU's state building policies in Ukraine have changed from a comprehensive to an integrated approach between 2014 and 2024? In other words, have the EU's state building policies in Ukraine become more political or strategic, and less technical for the last decade? In order to answer the above and, thus, to explore whether there is variation in the EU's state-building policies in Ukraine, this section traces EU's initiatives over two distinct

periods of time, that is, between 2014 and 2022, and in the aftermath of the 2022 Russian invasion of Ukraine.

Regarding the first period of time that this section covers, I first look into two particular initiatives that the European Union adopted in 2014, that is, the Support Group for Ukraine (SGUA) and the European Union Advisory Mission (EUAM). What set SGUA apart from other related initiatives was that the EU had never came up with such a policy regarding a non-EU country (De Groot et al. 2019). SGUA brought together roughly 40 EU officials, was granted almost 300 million euros by the EU between 2015 and 2019, and took aim at reforming key public sectors, such as the judiciary, law enforcement agencies, and public finance. SGUA faced a difficult task as most sectors of the Ukrainian state "had remained largely unchanged since the times of the Soviet Union" (De Groot et al., 2019, p. 1). Under such circumstances, it comes as no surprise that a sweeping reform of the Ukrainian state "would take decades to implement" (De Groot et al., 2019, p. 3). A particular challenge that SGUA needed to overcome in its attempt to revamp the VAT system and the transport system or to reform most of the ineffective state companies was the lack of a critical mass of "agents of change" in the public administration. In an Activity Report titled *The first 18 months* that SGUA published in 2016, details are offered on the sweeping reform that the public administration in Ukraine had already undergone. Beside mentioning the key public sectors that SGUA took aim at, such as governance and rule of law; economic governance; health, labour and internally displaced persons, *The first 18 months* reveals the strategic rationale behind SGUA. Unsurprisingly, SGUA did not pay heed only to the implementation of Association Agreement and Deep and Comprehensive Free Trade Area but to a larger reform of the public administration, in the absence of which Ukraine may not have survived the crisis period following the 2014 Russian annexation of Crimea. *The first 18 months* also reveals that, in line with the EU's comprehensive approach to global security challenges, SGUA collaborates with EEAS, EUAM and other institutions of the European Union. To further highlight the strategic character of the EU's state-building policies in Ukraine in the aftermath of the 2014 Russian annexation of Crimea, I now turn to EUAM which became operational in December 20014 and took aim at helping the Ukrainian authorities to reform the civilian security sector, which is made up of "the Ministry of Home Affairs, the National Police, Border Guard Services, Security Service, General Prosecutor's Office, local courts, anticorruption bodies" (Meszaros and Țoca, 2020, p. 133). Through the reform of the Ukrainian civilian security sector, EUAM sought to, first, increase the levels of vertical trust in the abovementioned institutions, and, second, dwindle the Russian Federation's influence over Ukraine. A 2023 *Report on the achievements of EUAM Ukraine* highlights the Overarching Strategic Plan for the Reform of the Entire Law Enforcement Sector that President Zelenskyy brought into force in May 2023. This particular reform, adds the Report, "signified an essential political commitment to bring Ukraine closer to the EU".

Some authors hold that the EU's policy towards Ukraine did not alter significantly in the aftermath of the Russian annexation of Crimea in 2014. Despite condemning Russia'a actions and imposing sanctions, the EU did not involve directly to solve the conflict (Raik et al., 2024, p. 40). In the aftermath of the Russian annexation of Crimea, both EU's sanctions and state-building measures had done little to coerce Moscow's foreign policy in Ukraine. Yet, the consequences of the abovementioned measures "are likely to be more complex; thus, requiring future research" (Mass, 2019, p. 17). It is beyond the scope of this section to look more deeply into the effects of the EU's state-building measures in Ukraine. Not only that the effects of the conditionality-driven state-building policies of the EU have not yet been unpacked in different situations (Kochenov, 2008), but to try to precisely factor in the impact of state-building policies in a country that is at war, like Ukraine, could prove itself a really difficult scholarly effort. What are the state capacities that will come under scrutiny? The researcher brings into analysis either *hard* state capacities, such as the state of fiscal or road infrastructure, or only *soft* state capacities, such as the ability to mobilise resources in times of crisis? Or both? As already stated, what is of interest for this section is whether the EU's state building policies in Ukraine have changed from a comprehensive to an integrated approach between 2014 and 2024? In other words, have the EU's state building policies in Ukraine become more political and less technical for the last decade? In other words, has the EU's state building policies in Ukraine undergone a "geopoliticization" process?

Rabinovych holds that the EU's state building policy in Ukraine was both more ambitious and part of a comprehensive approach (Rabinovych, 2019, p. 9). The manifestation of the latter lies especially in the 2014 "State-building contract for Ukraine", which was part of a special measure that the European Commission adopted on April 29, 2014. According to the "State-building contract", the European Commission provided EUR 202 million to Ukraine directly from its budget in order to support "structural reforms". Also, through the same Special Measure, Ukraine was granted EUR 40 million in support of the local civil society. Other authors argue that OSCE and especially Germany and France have traditionally dealt with conflicts in the post-Soviet space and this aspect has not changed in Ukraine after 2014. Therefore, the EU's state building policies in Ukraine have come short of the ambitious objectives set by the integrated approach in the 2016 EU's Global Strategy (Härtel, 2023, p. 280). But despite the fact that EU acted like a technical actor, especially between 2014 and 2019, the "State Building Contracts" and the "Special Measures" showed that "Brussels is pursuing a systematic state building approach" (Härtel, 2023, p. 282) in Ukraine. The proof for the above was that State Building Contracts between 2014 and 2019 reached a total of EUR 355 million "far exceeding all other recipient countries" (ibidem). The conclusion that Härtel comes to is that one can argue about "an incremental securitization of the EU's involvement" (2023, p. 285) in Ukraine given the systematic state building measures, macroeconomic aid and technical support. This notwithstanding, the EU seems to have come short of an

integrated approach in Ukraine, at least for the time being. What accounts for the above is that, first, OSCE, Germany and France have been traditionally involved in conflict management, and, second, the reluctance of different EU institutions to embark on a more political role that may have obscured the technical role of the European External Action Service. Despite the fact that it does not pay heed either the comprehensive or the integrated character of the EU's state building policies in Ukraine, Nováki argues that EUAM Ukraine was geopolitically-driven. The reforms that aimed at increasing the resilience of Ukraine's fragile state were not only about the democratization of the country. These reforms' objective were also about undermining Russia's ability to project its influence in Ukraine. Ukraine's state weakness (Wolczuck, 2019; Nováky, 2015) and the "multipolar competition" (Alcaro & Dijkstra 2024) between the EU and Russia that had been triggered mainly by the completely different agendas of the two political actors regarding their neighbourhood, were two reasons that made Brussels to launch the geopolitically-driven EU Assistance Mission in Ukraine (EUAM) in 2014. As EUAM took aim at improving the accountability of Ukraine's security services, which were packed with loyalists of President Yanukovych, Nováki argues that EUAM was less about capacity building and more about EU soft balancing the Russian Federation (Nováky, 2015, p. 261). Therefore, despite the fact that certain initiatives of the EU, like EUAM, had a salient technical character, it would be mistaken not to bring out their simultaneous (geo)political character.

I now turn to the EU's state building-security nexus in Ukraine in the aftermath of the 2022 Russian invasion. Have the EU's state building policies come closer to an integrated approach in this case? In my view, they slightly have. The fact that the EU has chosen to directly offer military assistance to Ukraine, either in the form of weapons or in the form military training for Ukrainian soldiers, shows that the European Union has started to implement an integrated approach in Ukraine besides the already mentioned comprehensive approach that was at play between 2014 and 2022. What has changed? In line with the *multi-phased* dimension of the integrated approach that the 2016 *EU's Global Strategy*, the EU got increasingly involved in all stages of the conflict. And the expression of the latter lies in the setting up of the European Union Military Assistance Mission in Ukraine (EUMAM Ukraine) in 2022. It is beyond the scope of this section to flesh out EUMAM Ukraine. Of interest is rather to highlight the fact that, through EUMAM Ukraine, the EU has started making the transition form a predominantly low politics approach to conflicts in its neighbourhood to an increasingly high politics view. EUMAM Ukraine shows that "the European Union has taken a further step away from its long-favoured soft power approach to foreign policy" (Ostanina, 2023, p. 1). The 2024 *Annual Progress Report on the Implementation of the Strategic Compass for Security and Defence* mentions EUMAM Ukraine, the fact that the EU member states agreed to provide Ukraine a financial help of EUR 50 billion between 2024 and 2027, and also the fact that a part of this amount is directly related to the EU's state building-

security nexus in Ukraine. "This crucial funding will help Ukraine keep its administration running, pay salaries, pensions, and provide basic public services, as it continues to defend itself against Russia's aggression". The above reveals that the EU's integrated approach to conflict, despite the fact that it may not be fully at play in Ukraine for the time being, has started to create effects relative to certain dimensions of conflict resolution. And this is another incremental change of the EU's state building policies in Ukraine.

Conclusions

Instead of investigating whether the European Union has become more geopolitical in the aftermath of the 2022 Russian invasion of Ukraine, this article takes a different tack and looks into the "geopoliticization" process of the European Union between 2014 and 2024 with the help of historical institutionalism. The first conclusion that the article reaches is that, in terms of strategic thinking, one can detect incremental change by scrutinizing the formal strategic documents of the EU. In these documents, more emphasis has been placed on a comprehensive approach when dealing with conflicts in the EU's neighbourhood starting with 2013 and then on the integrative approach starting with 2016. The EU's state-building policies in Eastern Neighbourhood, the embodiment of which is the "state building-nexus" in Ukraine, have been both more ambitious and more strategic than similar policies that the EU had employed with respects to other conflicts in its neighbouring regions. Yet, despite the fact that one can notice an incremental change in the EU's state building policies in Ukraine, one cannot talk about a clear transition from a comprehensive to an integrated approach between 2014 and 2022. The latter aspect became more salient in the aftermath of the 2022 Russian invasion of Ukraine, when the European Union started making a steady transition from a traditional low politics approach to an increasingly prominent high politics approach to conflicts in its neighbourhood. The article hints at a convergence between the EU's strategic theory and strategic practice between 2014 and 2024, despite the fact that more data are needed in this regard.

In terms of *speed*, the EU's state building policies in Ukraine registered a higher rate of change in 2022 in comparison to what happened in the aftermath of the 2014 Russian annexation of Crimea. In terms of *depth*, the comprehensive approach that the EU employed with respect to public reform in Ukraine gets reinforced with the financial aid, aid in weapons and the training of Ukrainian soldiers through EUMAM Ukraine in Poland and Germany after 2022. By investigating the European Union as a rising structural power, that is interested in both legitimacy and accumulation of power in its neighbourhood, the article offers a different view on the European Union, one that could reconcile its normative profile with its strategic contour. At the same time, the article could open new avenues of research for scholars who are interested in how incremental change in both the EU's

strategic thinking, such as The European Defence Industrial Strategy, and strategic practice, such as the "geoeconomicization" of Brussels's economic policies, can further deepen the "geopoliticization" process of the EU.

References

Ash, T. G. (2023). Postimperial empire: How the war in Ukraine is transforming Europe. *Foreign Affairs, 102*(3), 64–75.

Collier, D., & Munck, G. L. (2022). *Critical junctures and historical legacies: Insights and methods for comparative social science*. Rowman & Littlefield.

Commission of the European Communities. (2004). *European Neighbourhood Policy: Strategy paper*. https://neighbourhood-enlargement.ec.europa.eu/system/files/2019-01/2004_communication_from_the_commission_-_european_neighbourhood_policy_-_strategy_paper.pdf

Council of the European Union. (2018). *Council conclusions on the integrated approach to external conflicts and crises*. https://data.consilium.europa.eu/doc/document/ST-5413-2018-INIT/en/pdf

De Groot, B., Maslowska, M., Schleunig, S., & Wagner, P. M. (2019). Overcoming challenges with innovation: Capacity building in Ukraine. *New Eastern Europe*. https://neweasterneurope.eu/2019/11/13/overcoming-challenges-with-innovation-capacity-building-in-ukraine/

European Security Strategy. (2003). *A secure Europe in a better world*. https://www.consilium.europa.eu/en/documents-publications/publications/european-security-strategy-secure-europe-better-world/

European Union External Action. (2016). *A global strategy for the European Union's foreign and security policy*. https://www.eeas.europa.eu/eeas/global-strategy-european-unions-foreign-and-security-policy_en

European Union External Action. (2022). *A strategic compass for security and defence*. https://www.eeas.europa.eu/eeas/strategic-compass-security-and-defence-1_en

Faleg, G. (2018). The EU: From comprehensive to integrated approach. *Global Affairs, 4*(2–3), 171–183. https://doi.org/10.1080/23340460.2018.1492877

Furness, M., & Gänzle, S. (2016). The European Union's development policy: A balancing act between 'a comprehensive approach' and creeping securitization. In S. Brown & J. Grävingholt (Eds.), *The securitization of foreign aid* (pp. 138–162). Palgrave Macmillan.

Härtel, A. (2023). EU actorness in the conflict in Ukraine: Between 'comprehensive' ambitions and the contradictory realities of an enlarged 'technical' role. *Ethnopolitics, 22*(3), 271–289. https://doi.org/10.1080/17449057.2022.2028421

Holden, P. (2009). *In search of structural power: EU aid policy as a global political instrument*. Ashgate.

Joint Communication to the European Parliament and the Council. (2013). *The EU's comprehensive approach to external conflict and crises*. https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX%3A52013JC0030

Keukeleire, S., & Delreux, T. (2015). Competing structural powers and challenges for the EU's structural foreign policy. *Global Affairs, 1*(1), 43–50. https://doi.org/10.1080/23340460.2015.983730

Kitchen, N., & Cox, M. (2019). Power, structural power, and American decline. *Cambridge Review of International Relations, 32*(6), 734–752. http://dx.doi.org/10.1080/09557571.2019.1606158

Kochenov, D. (2008). The ENP conditionality: Pre-accession mistakes repeated. In L. Delcour & E. Tulmets (Eds.), *Pioneer Europe? Testing EU foreign policy in the neighbourhood* (pp. 105–120). Nomos.

Kundnani, H. (2023). Europe's geopolitical confusion. *Internationale Politik Quarterly*. https://ip-quarterly.com/en/europes-geopolitical-confusion

Laïdi, Z. (2023). The meaning of geopolitical Europe: A response to Hans Kundnani. *Internationale Politik Quarterly*. https://ip-quarterly.com/en/meaning-geopolitical-europe-response-hans-kundnani

Mass, S. A. (2019). The actorness of the EU's state-building in Ukraine – Before and after Crimea. *Geopolitics, 25*(2), 387–406. https://doi.org/10.1080/14650045.2018.1559149

Mearsheimer, J. J., & Rosato, S. (2023). *How states think: The rationality of foreign policy*. Yale University Press.

Meszaros, E. L., & Țoca, V. C. (2020). The EU's multifaceted approach to resilience building in the Eastern Neighbourhood: Security sector reform in Ukraine. *Eastern Journal of European Studies, 11*(Special Issue), 120–145.

Meunier, S., & Nicolaidis, K. (2019). The geopoliticization of European trade and investment policy. *Journal of Common Market Studies, 57*, 103–113. https://doi.org/10.1111/jcms.12932

Nováky, N. I. M. (2015). Why so soft? The European Union in Ukraine. *Contemporary Security Policy, 36*(2), 244–266. https://doi.org/10.1080/13523260.2015.1061767

Ostanina, S. (2023). The EU military assistance mission for Ukraine: A peace actor who teaches to fight. *Hertie School, Jacques Delors Centre*. https://www.delorscentre.eu

Peters, B. G. (2019). *Institutional theory in political science: The new institutionalism*. Edward Elgar Publishing.

Progress Report on the Implementation of the Strategic Compass for Security and Defence. (2024). https://www.eeas.europa.eu/eeas/2024-progress-report-implementation-strategic-compass-security-and-defence-0_en?s=410318

Rabinovych, M. (2019). EU's development policy vis-à-vis Ukraine after the Euromaidan: Securitisation, state-building and integration. *East European Politics, 35*(3), 332–350. https://doi.org/10.1080/21599165.2019.1604338

Raik, K., Blockmans, S., Osypchuck, A., & Suslov, A. (2024). EU policy towards Ukraine: Entering geopolitical competition over European order. *The International Spectator, 59*(1), 39–58. https://doi.org/10.1080/03932729.2023.2296576

Rixen, T., Viola, A. L., & Zürn, M. (2016). *Historical institutionalism and international relations: Explaining institutional development in world politics*. Oxford University Press.

Scholvin, S. (2016). *Geopolitics: An overview of concepts and empirical examples from international relations*. Finnish Institute of International Affairs.

Strange, S. (1987). The persistent myth of lost hegemony. *International Organization, 41*(4), 551–574. https://doi.org/10.1017/S0020818300027600

Strange, S. (1989). Toward a theory of transnational empire. In W. Väth (Ed.), *Political regulation in the "great crisis"* (pp. 25–42). Sigman.

Strange, S. (1997). Territory, state, authority, and economy: A new realist ontology of global political economy. In R. W. Cox (Ed.), *The new realism: Perspectives on multilateralism and world order* (pp. 3–19). Palgrave Macmillan.

Strategy for Security and Development in the Sahel. (2011). https://www.eeas.europa.eu/sites/default/files/strategy_for_security_and_development_in_the_sahel_en_0.pdf

Support Group for Ukraine. (2016). *Activity report: The first 18 months*. https://www.europarl.europa.eu/meetdocs/2014_2019/documents/d-ua/dv/d_ua_20170112_07/d_ua_20170112_07en.pdf

Surrallés-Herranz, A. (2024). The EU energy transition in a geopoliticizing world. *Geopolitics, 29*(5), 1882-1912. https://doi.org/10.1080/14650045.2023.2283489

Surrallés-Herranz, A., Damro, C., & Eckert, S. (2024). The geoeconomic turn of the single European market? Conceptual challenges and empirical trends. *Journal of Common Market Studies*, *62*(4), 919-937. https://doi.org/10.1111/jcms.13591

Tardy, T. (2017). The EU: From comprehensive vision to integrated action. *European Union Institute for Security Studies*.

Wolczuk, K. (2019). State building and European integration in Ukraine. *Eurasian Geography and Economics, 60*(6), 736–754. https://doi.org/10.1080/15387216.2019.1655463

The impact of the Ukrainian-Russian war on European cybersecurity

Andreea-Cosmina Foca ✉

Alexandru Ioan Cuza University of Iași, Romania

Abstract: In recent years it has been observed that conflicts have changed in the context of globalization. The military strategies have been influenced by innovations in the field of communication and information technology, giving modern warfare a fresh boost. More specifically, the concept of military warfare experienced changes, as well as the military strategies, to reduce deaths and accomplish political and military objectives at minimal cost. In this sense, the Ukrainian-Russian war serves as the most recent example, where cyberspace was also used as a battleground. The fact that cyberattacks are used in coordination with conventional military attacks against the Ukrainian territories shows that they are an important component of the military strategy to win the war. At the same time, recent events have already shown us that as the conflict escalated, Russian cyberattacks also targeted European nations who openly backed the Ukrainian cause. The cyberspace has become a new battleground where states are not sufficiently prepared to prevent and stop such cyberattacks, especially as they become more complex. In this regard, the current paper analyses the parts of the literature review which describe to what extent the Ukrainian-Russian war affected European cybersecurity. This study also aims to highlight the dangers and vulnerabilities faced by European governments in this regard and provide specialized solutions for cyber security practitioners or policymakers. The main research question seeks to analyse to what extent the use of cyber-attacks in a Russian-Ukrainian war affects European cybersecurity.

Keywords: cyberspace, cybersecurity, cyberattacks, the European regulatory framework, cybersecurity perspectives, cybersecurity solutions, artificial intelligence

Introduction

Besides the traditional threats to security brought about by armed conflicts, the new social changes also provide several threats to security. "National security, which previously focused on defending the state against physical conditions, now also requires defense through networks due to the advancing digital era" (Budiman et al., 2023, p. 1791). The new challenges to security come from cyberspace which has become an important area of warfare.

✉PhD student at Doctoral School of Political Science, Alexandru Ioan Cuza University of Iași, Romania; e-mail: focaandreea11@gmail. com.

Cyberattacks and unlawful cyberactivity on the Internet can put people's safety and national security at risk. "These attackers have the resources and expertise to launch massive Internet attacks against other nations, to cause damage or disrupt services, such as shutting down a power grid, but also to gain strategic advances" (Gabrian, 2022, p. 44).

The Russian-Ukrainian war is a typical example of cyberconflict where attackers find it easier to access and compromise Ukrainian data systems. The daily reliance on the Internet and the the expansion of digitization in the most vital sectors allowed Russian cyber attackers to carry out the offensive plan by conducting initial cyberattacks on government institutions and other vital facilities, followed by military operations. „Cyberattack dynamics have demonstrated that they are utilized as acts that come before any other kind of action, and in order to accomplish the desired outcomes, they can either continue at a higher intensity or signify the start of a new phase of a military operation" (Radu, 2023, p. 45). So, to defend Ukraine's vital infrastructure against pro-Russian hackers, several partner countries have also become targets of cyberattacks. At the international level, European states emphasized the necessity for collaboration among alliances to ensure the security of NATO's eastern region. In order to effectively handle conflicts in a virtual world, coalitions must adjust to the new circumstances and overcome new types of obstacles.

The purpose of the present paper will be reached using content analysis - a qualitative research approach. Through the content analysis there was undertaken a literature review on how the Ukrainian-Russian war affected European cybersecurity. The content analysis focused on hybrid conflict and cyberattacks, European normative framework on cybersecurity, and multiple cases of cyber actions that targeted EU member states and NATO allies. In all, 21 sources were examined, including 7 books, 4 international reports, 5 journal articles, 2 bulletins, 1 strategy book, 1 policy paper, and 1 policy document. The primary keywords employed were cybersecurity; European legal framework; Russian Ukraine war; cyberattacks; cybersecurity strategies; European cybersecurity defense; cybersecurity policy, cyberspace; cybersecurity implications; cyber threats; Russian cyberattacks; EU cybersecurity strategy; regulations; cybercrime prevention; artificial intelligence;

1. Cyberspace - cybersecurity - conceptual boundaries

It is considered that cyberspace began to structure within the development of information and communication technologies (ITC), but it is more than that, including computer data and interactions between devices and their users (Jentkiewicz et al., 2022). The next level came with the emergence of the Internet that expanded information and communication technologies and made critical infrastructures increasingly Internet-based. Thus, „Technology in cell phones, the internet, and

computers has revolutionized various perspectives of human life over the last few decades" (Yarali et al., 2022, p. 1). In light of this, it is evident that the world has transformed in terms of efficiency, productivity, economic growth, and succeeded in transforming numerous facets of human existence. "Information and communication technologies (ICT) allow huge amounts of information to be stored, processed, accessed, searched, transmitted, exchanged, and disseminated, regardless of geographic distance" (Ghernaouti, 2013, p. 18). These profound changes have opened up new opportunities for the global economy, and in order to benefit from these opportunities, individuals and the corporate community have constructed the infrastructure and financial instruments required to increase profits. At the same time, the technological developments have given way to harmful activities. Therefore, it has become necessary to implement legal solutions which will make it possible to organize an effective and efficient system for protecting the information resources of public entities, entrepreneurs and also citizens (Jentkiewicz et al., 2022, p. 11).

Because of this, several cybersecurity specialists describe this area in terms reminiscent of the Wild West to draw attention to the lack of adequate cybersecurity measures in the midst of the digital era. Living in the postmodern age, brought a series of new problems, one of these consisting in the fact that more and more people become victims on the Internet. "Internet technologies are facilitators for many kinds of infringements: theft; sabotage of information; copyright infringements; breach of professional secrecy, digital privacy, or intellectual property; dissemination of illegal contents; competing attacks; industrial espionage; breach of trademark laws; dissemination of false information; denial of service; various frauds; money laundering - the list of possible offenses goes on" (Ghernaouti, 2013, p. 19). It became clear that an open and free cyberspace exposed individuals and societies to new risks and reveals vulnerabilities that did not exist until that moment. In this regard, the Internet altered also how individuals interacted with each other, and more than that, it allowed new types of crimes. „Criminals are now carrying out their activities using a unique perspective with the help of the internet" (Yarali et al., 2022, p. 3). The offenders can easily carry out illicit activities from any location worldwide under anonymity or fake accounts, decreasing the risk of being identified. "Frequently, fraudsters pose as entities known to the Internet user, such as a bank or a manager of his messaging service, and ask him - always with some credible justification - to communicate his personal data by phone, through a website or by mail" (Ghernaouti, 2013, p. 55). In terms of security threats, cyberspace is therefore an environment from which a series of risks arise. This happens because of "the generally poor awareness of cybersecurity and cyber hygiene, particularly amongst vulnerable users such as the elderly, has led to a dramatic increase in the number of cybercrime victims" (Interpol, 2021, p. 12).

In parallel, the cyberattacks that are specifically directed at the country's critical infrastructures have the potential to cause chain reactions in cyberspace, therefore, even if the attack was directed towards the state's vital infrastructure, it

has the potential to endanger human life. "Ensuring reliability against threats seems to dominate national security discussions today and raises concerns when thinking about future warfare" (Reveron, 2012, p. 14). Given this, the cybersecurity concept has been developed to protect data and control access to networked systems that contain data. "Cybersecurity refers in general to methods of using people, process, and technology to prevent, detect, and recover from damage to confidentiality, integrity, and availability of information in cyberspace" (Bayuk et al., 2012, p. 21). "Cybersecurity is typically defined as the protection of confidentiality, integrity and availability of computer data and systems in order to enhance security, resilience, reliability and trust in ICT" (Interpol, 2021, p. 10).

To respond to "social engineering" threats, it is important that proactive security measures detect attacks that are launched before they cause damage. Also, as part of security management, it is essential to recover damaged systems after attacks. "Because information technology allows diversity, redundancy, and reconstitution for the data and programs required to operate systems, information security professionals expect that damage can be completely allayed" (Bayuk et al., 2012, p. 21).

2. Cyberattack - definition and terminology issue

The word "cyberattack" lacks a widely accepted definition, thus the notion has been given a variety of interpretations. A cyberattack can refer to an attack on the health system, the power grid or a national defense system. Also, cyberattacks may also be conducted with the intent to cause harm to individuals or influencing public opinion (cyber propaganda). "Some have minor impacts and can often be attributed to straightforward delinquency, while others could have drastically negative effects on people, organizations, and states, and could be linked to crime, terrorism and war" (Ghernaouti, 2013, p. 160). Consequently, it's evident that due to its complexity, the term cannot refer to particular actions. "By definition, cyberattacks are directed against computers or networks" (Reveron, 2012, p. 49). Cyberattacks are mostly directed against computer and telecommunication systems involved in critical infrastructures of a state. They are more effective than conventional fighting techniques and can be used as military weapons. Hacking government websites and falsifying information with the intention of misleading the public and winning support are also examples of cyberattacks against states. Additionally, the fact that the ICT environment has been connected to the Internet without any prior safety precautions contributed to the weakening of the critical infrastructures that ICT supports. The attacks on vital infrastructure are intended to bring down state institutions and components that safeguard the national security, public safety, and economy of a state. "Communications, electricity or water distribution infrastructures, and the infrastructures for financial or health institutions, for example, can be considered as critical" (Ghernaouti, 2013, p. 152). Since

information and communication infrastructures are used to access vital infrastructures, such as banking, electricity, and telecommunication systems, an adversary state may use cyberattacks to obstruct government operations. "Opponents of states or organizations can attack systems or infrastructures in order to use them, destroy them, or find material for blackmail" (Ghernaouti, 2013, p. 152).

The experts in the field also address another topic that includes differentiating cybercrime activities from cyberattacks with clarity, initially determining whether the attack caused any specific offenses that are subject to legal punishment. "Cybercrime is defined as offenses committed against computer data, computer data storage media, computer systems, service providers" (Interpol, 2021, p. 10). "For an attack to be identified and treated as a crime that breaks the law, that law by definition must already exist" (Ghernaouti, 2013, p. 160). More specifically, referring to the cybercrime activities committed within Romanian borders, we note that the Romanian criminal law regulates and incriminates a number of illicit activities such as computer fraud, fraudulent financial operations, computer forgery, illegal access to computer systems, unauthorized transfer of computer data, and child pornography. At the same time, when it comes to cyber incidents, it is important to clarify if it is a cybercrime incident or cybersecurity incident in order to know where to look for a solution. Therefore, while a cybersecurity incident needs to be reported to a computer emergency response team (CERT), a cybercrime incident can be handled by the criminal justice system. "In some cyber incidents, it may be unclear at the start whether it is a cybersecurity incident affecting personal, corporate or national infrastructure, or if it is a cybercrime incident where an actual crime is being committed, or if it is a combination of the two" (Interpol, 2021, p. 11).

3. Cybersecurity under EU law - understanding the context

The Council of Europe Convention on Cybercrime provided a European legal framework that marked a significant advancement in the fight against international cybercrime. "The aforementioned Convention on Cybercrime was the first, and only, international treaty on crimes committed via the Internet and other computer networks" (Jentkiewicz et al., 2022, p. 57). In 2001, European and non-European countries developed and signed the Convention on Cybercrime, also known as the Budapest Convention, with the purpose to harmonize the domestic legislation, to provide necessary for the investigation and prosecution, and intensify cooperation between states in addressing the problem of cybercrime. "The Convention is the first international treaty on crimes committed via the Internet and other computer networks, dealing particularly with offenses against and by means of computer systems and data, such as illegal access, illegal interception, data and system interference, computer-related fraud, child sexual exploitation material or other violations of network security" (Interpol, 2021, p. 26).

As part of this continuous effort, the European Union has implemented mandatory legal instruments to tackle computer crime, including the Council Framework Decision 2005/222/JHA on attacks against information systems, European Parliament and Council's Directive 2013/40/EU on attacks against information systems, which added solutions and new types of criminal offences, Directive (EU) 2016/1148 concerning measures for a high common level of security of network and information system across the European Union and the Revised NIS Directive (NIS 2) in response to the COVID-19 pandemic's acceleration of the digital transformation (Jentkiewicz et al., 2022). Regarding the last document, "the second NIS Directive seeks to bolster cybersecurity requirements, address the security of supply chains, reinforce obligations for reporting, along with a general strengthening of enforcement procedures with better supervision, including through an improved harmonization of sanctions across countries" (Barichella, 2022, p. 19). Being also part of the European normative framework in cybersecurity, another reference document is represented by the original European strategy that was launched in 2013. Subsequently, at the end of 2020, the strategy was revised, focusing on securing essential services to bolster Europe's resilience against cyberattacks. "It also emphasizes collaboration with global partners to ensure cybersecurity and stability in the digital world" (Budiman et al., 2023, p. 1792).

As for legal measures, it is worth mentioning the development of "Computer Security and Response Team" (CSIRT), requiring Member States to be well equipped to respond quickly to cyber security incidents. As part of this ongoing commitment, it is important to highlight the work of the European Cybercrime Center (EC3) and the European Agency for Cybersecurity (ENISA), which offer operational support, technical expertise, and assistance to EU member states in combating cybercrime. "However, much like the EU Agency for Cybersecurity, none of these various frameworks or institutions possess sufficient competences, like sanctions, to enforce compliance with EU-level cyber norms" (Barichella, 2022, p. 18).

3.1 Understanding the context

Given the increasingly digitized world, the development of new technologies presents threats to people's daily lives as well as a wide range of interests, being employed in harmful crimes or cyberattacks. "In recent years these cyberattacks, whether random or targeted, have become much more professional, and their targets manifold, ranging from states and public authorities to global enterprises, SMEs (small and medium - sized enterprises), critical infrastructure and individuals" (Bartsch & Frey, 2018, p. 65). This is because technological advancements have fueled the growth of the European economy and remain a vital resource upon which the key sectors depend. Being actually the other side of the coin where a number of cybercrime activities have targeted the private sector and Europeans, impacting the EU economy alike. "Cybersecurity incidents, be it intentional or accidental, are

increasing at an alarming pace and could disrupt the supply of essential services we take for granted such as water, healthcare, electricity or mobile services" (European Commission, 2013, p. 3). Besides this, new social events, such as the COVID-19 pandemic, caused a rise in the number of workers who work remotely and caused us to move many of our daily tasks online, increasing our vulnerability to cybercrime. "Law enforcement around the world has witnessed first-hand the unique criminal aspects the COVID-19 pandemic was breeding, especially the diversifying and growing impact of cybercrime" (Interpol, 2021, p. 3).

In the context of Russian aggression against Ukraine, the pro-Russian hacker groups had launched cyberattacks against European states and beyond, alarming European governments. "The pro-Russian hacktivist group Killnet, that ramped up its activities since the Russian war of aggression against Ukraine, claimed responsibility for the most DDoS (Distributed Denial of Services) attacks launched in 2022 against targets in EU and beyond" (Europol, 2023, p. 17). Fortunately, these DDoS attacks caused very little disruption, given the high cybersecurity measures at the level of the European institutions and states. "These attacks include the one launched against the European Parliament and many others targeting the infrastructure of EU countries" (Europol, 2023, p. 17).

3.2. Consequences of the Ukrainian-Russian war over Ukrainian cybersecurity

The use of cyberattacks and operations have increased during the Russian-Ukrainian war indicating that ICTs have generated new weapons with the same disruptive potential as conventional ones. In this respect, on February 24, 2022, Russian hacktivists launched cyber-attacks on Viasat's european KA-SAT satellite communications service network which didn't threaten government or military objects, but impacted mostly the civil population and other European broadband customers. Another example concerns the end of March 2022, when the cyberattack on the Ukrainian telecommunications company Ukrtelecom cut off access to internet and telecommunications services, causing a major internet outage in the country. Besides these, many others have targeted governments, local authorities, military and law enforcement field and telecommunications services. The majority of those cyberattacks were destructive attacks, using a series of "wiper" attacks to destroy data on targeted computers. "A malware wiper attack on 25 February 2022 against a border control station slowed the process of allowing refugees crossing into Romania" (Duguin & Pavlova, 2023, p. 11). An additional type of cyberattack known as disruptive attacks, consisted in launching DDoS attacks which affected the public and financial sectors. "These types of attacks have been particularly hard-felt by sectors related to critical infrastructure - such as public administration, energy, ICT, and finance - impacting the connectivity and availability of vital services" (Duguin & Pavlova, 2023, p. 17). Also, the Russian launched desinformation operations and propaganda in order to prevent public access to official information

or distort its meaning. "It is important to note that for the Russian Federation, 'information confrontation' or 'information warfare' is a broad concept and key enabler of its attempts to gain victory in current and future conflicts, and is not a separate function or domain from 'cyber' (Duguin & Pavlova, 2023, p. 13).

Due to the previously established security measures, the vital infrastructure of the Ukrainian state has not been affected by these attacks, despite their increasing frequency. „Ukraine's experience defending against Russian cyber operations in the past decade has therefore formed a critical component of the country's national cyber resilience" (Austin & Khaniejo, 2023, p. 6). Being the subject of cyber attacks even before the military invasion of 2014, Ukraine strengthened the resilience of its ITC infrastructure through cooperation with international partners and public-private partnership. "Since the 2014 Russian annexation of Crimea, Ukraine has significantly improved its cybersecurity posture, including with recent assistance from the European Union (EU) and Five Eyes (Australia, Canada, New Zealand, United Kingdom, and US or FVEY)" (Cyber Threat Bulletin, 2022, p. 3). At the same time, Ukraine's IT army played an important role in preventing as well as launching thousands of cyber-attacks on the defense industry. "Once the war began, the cybercrime ecosystem shifted to targeting Ukraine in particular, creating a Ukrainian IT army estimated at around 215.000 volunteer affiliates targeting Russian state-sponsored media outlets" (Gabrian, 2022, p. 48). It is thus observed that in this conflict the hybrid threats have been fully exploited by the Russian armed forces, giving them a considerable advantage in taking over more Ukrainian territory. "Cyberattacks and operations are now an established type of military operation, and are being coordinated with, or synchronised around, kinetic military operations" (Duguin & Pavlova, 2023, p. 10).

3.3. Consequences of the Ukrainian-Russian war over European cybersecurity

Apart from Ukraine, Russian cyberattacks have targeted states that supported the Ukrainian cause, in this context, cyberattacks targeting American and European networks have been launched. "Both government and industry data have indicated increased cyber espionage efforts from Russian state-sponsored threat actors targeting the United States and European countries in response to its effort for Ukraine - indicating that while kinetic combat has not been directed at NATO countries, cyberspace for that purpose is already being used" (Kaushik, 2023, p. 5). In this regard, to further their cyber operations, Russian hacktivist sussed various cyber tools such as DDoS attacks against government websites (over Romania, Slovakia and the Czech Republic), spear-phishing emails, satellite communications service network attack (for instance, the attack over Viasat's European KA-SAT satellite communication service network disrupted the activity in France, Germany, Greece, Hungary, Italy and Poland) or ransomware (for example, the Prestige ransomware attack disrupted the transport and logistics networks in Ukraine and

Poland). According to the Canadian Cyber Security Center's June 2022 Cyber Threat Bulletin, "Russian cyber actors have targeted government, academic, private sector, and critical infrastructure entities in Denmark, Latvia, Lithuania, Norway, Poland, the US, and Turkey for cyberespionage purposes, as well as entities in Finland and Sweden, both of whom applied for NATO membership following the Russian invasion of Ukraine in February" (Cyber Threat Bulletin, 2022, p. 5). Additionally, since the start of the invasion, nations in Eastern Europe like Romania and Poland have been the targets of Russian cybercriminals because they assisted the fleeing Ukrainians and acted as transit routes for NATO's supplies and weapons. Regarding this, "on 25 February, a destructive cyberattack targeted a border control station with the objective of hampering the flow of refugees into Romania, forcing local officials to manually process people crossing the border" (Barichella, 2022, p. 11).

Following a request from the Ukrainian government, the European Union activated the Computer Emergency Response Team to support Ukraine's cyber defense. As a result, at least 23 EU member states organizations were the target of cyberattacks according to the CERT-UE Report, most targeted being Poland, Latvia, Estonia and Lithuania. At the same time, non-EU countries such as the UK were targeted by pro - Russian hacktivists who launched DDoS attacks, disrupting the functioning of web pages, as happened with the UK charity art sale. In addition to the European and non-European member states, the US was under DDoS attacks claimed by pro-Russia hacktivists, as a form of revenge towards the harsh sanctions imposed on the Russian government and for supplying military equipment to Ukrainian forces. "Killnet has claimed to carry out DDoS attacks against US airports, the White House, StarLink, various European governments websites, among others" (Kaushik, 2023, p. 4).

We can therefore conclude that cyberconflicts show us the complexity of new weapons and the evidence that cyberattacks combined with the deployment of conventional armed forces may be disruptive, and also using them irrationally could bring humanity dangerously close to the first worldwide conflict in cyberspace. We also noted that the rise of cyber conflict has accelerated the assimilation of cyber defense into national security plans. However, in this joint effort to ensure cybersecurity at the international level, it is essential that this regional conflict ends and leaves room for peace negotiations. In order to do this, major players and organizations on the global scene ought to participate more actively and promote peace agreements.

4. New perspectives on defending against cyberattacks

As we already saw in the case of cyberattacks on Ukraine, regarding its ability to withstand cyberattacks launched by Russian attackers, this was primarily due to the assistance provided over time by the international partners, especially after the annexation of Crimea. Also, the measures aimed at increasing the resilience of its

ITC infrastructure, improved its cybersecurity in the midst of military conflict. Even though it is a hard lesson, the ongoing Russia - Ukrainian war shows us that national cyber defense strategies alone do not provide sufficient protection against critical national infrastructure. „The strategic challenge for cyber defense is that the Internet is developing at such speed that it is almost impossible for any organization to master all the latest development situations" (Lakusic & Baltezarevic, 2022, p.150). The context in which we find ourselves is quite favorable for cyber attackers in the sense that it offers them multiple levers to carry out remote operations under a certain protection of their identification data. What I want to stress is that, in addition to international assistance, which, in the case of Ukraine, has truly protected the country's critical infrastructure, the private - public cooperation is also required to counter significant cybersecurity threats. To make the digital world safer, businesses and governments must work together and share relevant information in this regard. „Within any given nation state, adequate cybersecurity will require effective coordination and cooperation among governmental entities on the national and sub-national levels as well as the private sector and civil society" (Appazov, 2014, p. 66).

At the same time, it is imperative for states to allocate resources toward the specialization of personnel working inside their special structures, so they can get expertise and understanding of cutting-edge technologies employed in cybercrimes as well as cyberattacks. As modern technology advances, it will provide new opportunities to cyber attackers, increasing their operations. Currently, there is a lack of specialization among law enforcement officers regarding criminal networks which adapt to new environments and modern technical means much more quickly than authorities do. „This emphasizes the increasing need to provide specialized training, often of an interdisciplinary nature, for judges, magistrates, lawyers, and police officers" (Ghernaouti, 2013, p. 278). Also, human capacity development is necessary to prevent attacks in the digital environment; the problem here is informing users about cyberspace security measures, to be more aware of their actions in the online environment and to use appropriate cyber hygiene measures. By placing individuals at the center of security issues, information security can be strengthened, as criminal activity in the digital arena increasingly relies on users' deception and ignorance. Additionally, with artificial intelligence's promising potential, a fresh approach to stopping cyberattacks appears to be emerging.

5. Contrasting views on Artificial Intelligence assisting cybersecurity

Cybersecurity experts have included artificial intelligence (AI) in their analysis, trying to use the promising capabilities of emerging technologies in order to prevent cyberattacks. Thus, in the cybersecurity field, artificial intelligence is seen as a friend as well as a threat. On the one hand, cybersecurity analysts believe that there is need for more advanced measures to protect against cyberattacks as long as hackers have adapted their operating systems and communication networks to high

technologies. They have the advantage of performing operations at a low cost that generate high profits. At the same time, under anonymity, they can perform countless attacks. It is clear that for all the sophisticated tools acquired by attackers, the security officers do not have enough technique and skills to prevent potential attacks. In light of this, artificial intelligence and machine learning solutions can be used to improve cyber defense. New findings over the artificial intelligence impact on cybersecurity affirm the positive influence of AI-based technologies on organizational cybersecurity, helping organizations (such as firms, institutions) to protect their digital assets. Moreover, the benefits could be the ability to detect malware as well as other intrusion incidents. Given that human error is a primary vulnerability in the cybersecurity chain, introducing AI - driven task automation can solve this problem. ,,This objective is achievable through improved threat detection methods, where using unsupervised machine learning intrusion detection systems (IDS) enables the identification of even the smallest threats or attacks before they happen" (Jada & Mayayise, 2023, p. 6). ,,As stated by (Hariyanti et al., 2021), the automation of cybersecurity tasks reduces the need for human intervention, minimizes human intervention, and subsequently reduces the potential for human error throughout the entire security life cycle" (Jada & Mayayise, 2023, p. 6).

On the other hand, other cybersecurity analysts believe that artificial intelligence can cause adversarial attacks, increasing the threat of cyberattacks (Jada & Mayayise, 2023). Hackers can use AI technologies to carry out malicious attacks by sending personalized phishing emails to individuals and businesses or create chatbots in order to impersonate a famous person or someone in an influential position to trick victims to perform certain tasks. Thus, the risk of data privacy increases as long as individuals cannot discern between chatbot scams and real persons. ,,Other dangers that arise include deceptive trade practices, desinformation, resource depletion, and data sets" (Kaushik, 2023, p. 4). Another aspect consists in the fact that the implementation of AI solutions in organizations faces some limitations, requiring certain infrastructure and hardware components to function properly. ,,Another challenge lies in the compatibility issues caused by the continued use of outdated systems, programming languages, and overall technological infrastructure in many organizations " (Jada & Mayayise, 2023, p. 6). Thus, implementing AI solutions in organizations can be a very difficult task for some businesses, requiring a more complex organizational data management process. It is important to note that cyber - AI solutions do not fit all situations, being rather a matter of matching security solutions to the specific nature of each organization.

Therefore, it can be concluded that AI technologies can be a more appropriate solution to constantly evolving threats. To increase the level of protection, there is a need for issues related to the use of AI technologies to go beyond the decision-making level and materialize in a framework that regulates the use of these technologies. Meanwhile, policymakers and cybersecurity experts must work closely together to address the new challenges of AI technologies.

Conclusions

The globalization process and its latest phase of digitization have made the world economy more reliant on ITC infrastructures. In light of this, new opportunities have opened up new possibilities for criminal activities that have expanded in cyberspace, making it more difficult to identify and punish the perpetrators of these acts. Cybercrime has become one of the fastest-growing types of transnational crime that states are currently dealing with. Because of this, states are now more exposed to danger because these activities have the potential to jeopardise the critical infrastructure of the states. At the same time, cyberspace has become a new place of confrontation between states and non-traditional actors. In the context of the Russian-Ukrainian war, new complex weapons have been used by the Russian military, such as spear phishing attacks, wiper attacks, DDoS attacks and disinformation operations in order to further the military assault.

The fact that cyberattacks and its specific operations are not are not subject to international legal regulation, continue to be a major worldwide vulnerability. The absence of global consensus allows states and non-state actors to go ahead with their malicious intentions. In this given situation, NATO member states are unable to initiate a coordinated response against cyberattacks, placing them in a difficult position to act in accordance with Article 5. Like an allarm, the conflict the conflict made it clear to everyone the importance of cybersecurity measures in ensuring the security of critical infrastructure. Yet it is also essential to note that since 2014, Ukraine has received assistance in the field of cyber security that has contributed to the country's defense efforts in the area of cybersecurity. Therefore, bolstering cyber resilience and stepping up peace talks seem to me better measures to meet the right measures to meet the future security challenges.

Russian cyber attacks against European member states were unexpected, managing to disrupt for a short period of time government websites, the European network of satellite communication services and other key sectors. As a result, the attacks managed to threaten Europe's cybersecurity, forcing European governments to react in certain ways. At the same time, this draws attention to the need to intensify proactive cybersecurity measures, considering the benefits of newly developed, cutting-edge technologies like machine learning and artificial intelligence.

In light of the results obtained from this study, several key recommendations are proposed to enhance cybersecurity resilience. Firstly, it is recommended to accelerate the specialization of personnel in structures that fight against cybercrime, the procurement of modern technologies and equipment, as this could address the problem of the increase in cybercrime and cyberattacks. Secondly, policy makers should consider a cloose cooperation with private sector, given the evidence that private-public cooperation has the capacity to counter significant cybersecurity threats. Finally, further research is need to explore artificial intelligence solutions,

which remains underexplored and critical for improving proactive cyber security measures.

References

Appazov, A. (2014). *Legal aspects of cybersecurity*. University of Copenhagen, Faculty of Law. https://www.justitsministeriet.dk/sites/default/files/media/Arbejdsomraader/ Forskning/Forskningspuljen/Legal_Aspects_of_Cybersecurity.pdf

Austin, G., & Khaniejo, N. (2023). *Impact of the Russia - Ukraine war on national cyber planning: A survey of ten countries*. The International Institute for Strategic Studies, pp. 1–21. https://www.iiss.org/globalassets/media-library---content-- migration/files/research-papers/2024/01/impact-of-the-russiaukraine-war-on- national-cyber-planning_a-survey-of-ten-countries.pdf

Barichella, A. (2022). *Cyberattacks in Russia's hybrid war against Ukraine* (Policy Paper No. 281). Europe in the World, Jacques Delors Institute. https://institutdelors.eu/wp- content/uploads/dlm_uploads/2022/09/PP281_The-cybersecurity-dimension-of-the- war-in-Ukraine_Barichella_EN.pdf

Bartsch, M., & Frey, S. (2018). *Cybersecurity best practices*. Wiesbaden: Springer Vieweg.

Bayuk, J. L., Healey, J., Rohmeyer, P., Sachs, M. H., Schmidt, J., & Weiss, J. (2012). *Cyber security policy guidebook*. New Jersey: John Wiley & Sons, Inc.

Budiman, I., Salsabila, A. F., Mubarok, C. I., Rustiawan, N. F., & Zulfikar, R. A. (2023). Cybersecurity analysis in the context of the Russia-Ukraine conflict: Challenges, threats, and defence strategies. *Journal Ekonomi*, *2*(2), 1790–1796.

Cyber Threat Bulletin. (2022). *Cyber threat bulletin: Cyber threat activity related to the Russian invasion of Ukraine*. Canadian Centre for Cyber Security.

Duguin, S., & Pavlova, P. (2023). *The role of cyber in the Russian war against Ukraine: Its impact and the consequences for the future of armed conflict*. European Parliament, Directorate General for External Policies of the Union, Policy Department, Workshop.

European Commission. (2013). Joint communication to the European Parliament, the Council, the European Economic and Social Committee, and the Committee of the Regions: Cybersecurity strategy of European Union: An open, safe, and secure cyberspace (JOIN/2013/01). https://eur-lex.europa.eu/legal- content/EN/TXT/?uri=celex%3A52013JC0001

Europol. (2023). *IOCTA report: Cyber attacks—The apex of crime as a service*.

Gabrian, C. A. (2022). How the Russia-Ukraine war may change the cybercrime ecosystem. *Bulletin of "Carol I" National Defence University*, *11*(4), 43–49. https://doi.org/10.53477/2284-9378-22-92

Ghernaouti, S. (2013). *Cyberpower: Crime, conflict, and security in cyberspace*. Lausanne: EPFL Press.

Interpol. (2021). *National cybercrime strategy guidebook*.

Jada, I., & Mayayise, T. O. (2024). The impact of artificial intelligence on organisational cyber security: An outcome of a systematic literature review. Data and Information Management, 8(2), 100063. https://doi.org/10.1016/j.dim.2023.100063

Jentkiewicz, K. C., Radoniewicz, F., & Zielinski, T. (2022). *Cybersecurity in Poland: Legal aspects*. Warsaw: Springer.

Kaushik, A. (2023). *The war on Ukraine: A look at (underemphasized) Russian cyber operations*. GLOBSEC.

Kaushik, D. (2023). The impacts of cybersecurity and AI on businesses and individuals. *Journal of Student Research*, *12*(4), 1–10. https://doi.org/10.47611/jsr.v12i4.2282

Lakusic, M. M., & Baltezarevic, I. Z. (2022). National security and the challenges of the digital age. *Megatrend Revija*, *19*(2), 145–154.

Radu, C. C. (2022). Războiul ruso-ucrainean și impactul său asupra securității cibernetice în NATO și în UE. *Gândirea Militară Românească, 4,* 38–55. https://doi.org/10.55535/gmr.2023.4.01

Reveron, D. S. (2012). *Cyberspace and national security: Threats, opportunities, and power in a virtual world*. Washington: Georgetown University Press.

Yarali, A., Joyce, R., & Sahawneh, F. (2022). *Cybersecurity and digital forensics: Challenges and future paradigms*. New York: Nova Science Publishers.

This volume seeks to explore in depth the directions outlined in these strategies and to analyse their potential consequences for the EU's short-term and long-term trajectory, providing valuable insights into the Union's path forward. The papers presented in this volume are organized around two major thematic axes: (1) Institutions, sectoral developments, and societal transformations and (2) Data, digitalization, and new challenges. While there is an evident overlap in topics between these two sections, the volume is designed with a complementary perspective, aiming to provide a holistic understanding of the interconnected dynamics at play. Together, these sections aim to create a dialogue between structural evolutions and the technological disruptions that redefine them, offering a multifaceted view of the ongoing transformations.