Hanns Seidel Stiftung

Wilfried Martens Centre for European Studies

PAPERS FROM THE THIRTEENTH INTERNATIONAL SCIENTIFIC CONFERENCE

of the European Studies Department, Jean Monnet Centre of Excellence, Faculty of Philosophy, Sofia University "St. Kliment Ohridski"



RISKS and PROSPECTS *for Europe*

European Studies Department
Sofia, 2026

PAPERS

FROM THE THIRTEENTH INTERNATIONAL SCIENTIFIC CONFERENCE OF THE EUROPEAN STUDIES DEPARTMENT, JEAN MONNET CENTRE OF EXCELLENCE, FACULTY OF PHILOSOPHY AT SOFIA UNIVERSITY „ST. KLIMENT OHRIDSKI“

Risks and Prospects for Europe

European Studies Department
Sofia, 2026

Scientific review:

Prof. Ingrid Shikova, PhD
Prof. Kaloyan Simeonov, Dr. Habil
Assoc. Prof. Nikolina Tsvetkova, PhD
Asst. Prof. Mariya Yurukova, PhD
Asst. Prof. Lubomira Popova, PhD
Ralitsa Stoycheva, PhD candidate

Editors:

Prof. Kaloyan Simeonov, Dr. Habil
Asst. Prof. Mariya Yurukova, PhD

English proofreading:

Sonya Yurukova

The publication „Papers from the Thirteenth International scientific conference of the European Studies Department, Faculty of Philosophy, „Jean Monnet“ Centre of Excellence, Sofia University „St. Kliment Ohridski“ is published with the support of Hanns Seidel Foundation and Wilfried Martens Centre for European Studies.

This is a joint publication of the Wilfried Martens Centre for European Studies and the Hanns Seidel Foundation.

This publication receives funding from the European Parliament. The Wilfried Martens Centre for European Studies, the Hanns Seidel Foundation and the European Parliament assume no responsibility for facts or opinions expressed in this publication or any subsequent use of the information contained therein. Sole responsibility lies on the author of the publication.



The reuse of this publication is authorised under a Creative Commons Attribution-ShareAlike 4.0 International (CC-BY-SA 4.0) licence (https://creativecommons.org/licenses/by-sa/4.0/). This means that reuse is allowed provided appropriate credit is given, any changes are indicated, and adaptations are shared under the same terms.

The processing of the publication has been finalised in 2026.

Issued by European Studies Department, Sofia University „St. Kliment Ohridski“.

Table of Contents

ADDRESSES

GREETING ADDRESS
Yordanka Chobanova 7

GREETING ADDRESS
Teodor Stoychev 9

1. Panel
RISKS AND PROSPECTS FOR EUROPE -
The European Union between Polycrisis and Political Maturity

CURRENT GEOPOLITICAL RISKS AS CHALLENGES
AND OPPORTUNITIES FOR EUROPEAN UNITY
Matthias Waechter 13

THE EUROPEAN UNION: FROM FIVE STAGES OF
INSTITUTIONAL GRIEF TO POLITICAL MATURITY?
Ingrid Shikova 20

FROM INTERDEPENDENCE TO RESILIENCE:
THE EVOLUTION OF EUROPEAN STRATEGIC AUTONOMY
Monika Moraliyska 35

2. Panel
RISKS AND PROSPECTS FOR EUROPE –
EU Economic Governance and Strategic Resilience

THE DIGITAL EURO AS A STRATEGIC RESPONSE
TO GLOBAL AND EU CHALLENGES
Kaloyan Simeonov, Ralitsa Stoycheva 51

THE EU'S RISKY EXPANSIONARY
AUSTERITY POLICY STRATEGY
Tsvetan Manchev 62

FROM STABILITY TO PREPAREDNESS:
TRANSFORMING THE EU BUDGET
IN AN AGE OF PERMANENT CRISIS
Georgiana Ciceo 75

THE ECONOMIC ROLE OF EU-INDIA TRADE RELATIONS
IN EUROPE'S POST-CRISIS RECOVERY
Roksana Trifonova 90

3. Panel
RISKS AND PROSPECTS FOR EUROPE –
Security, Defence and Democratic Resilience

CONSTRUCTIVE AMBIGUITY AS INSTITUTIONAL DESIGN: ARTICLE 42(7) TEU AND THE LIMITS OF EU MUTUAL DEFENCE
Vihar Georgiev 101

THE CENTRE-RIGHT AND THE DEFENCE OF DEMOCRACY
Garvan Walshe 115

EUROPEAN DEFENSE À LA CARTE: DO WE NEED RUSSIA BACK?
Iskren Ivanov 124

4. Panel
EU'S EVOLVING DIGITAL GOVERNANCE, DISINFORMATION AND DEMOCRATIC RESILIENCE IN THE EU

EU AND DEFENCE OF DEMOCRACY IN THE DIGITAL AGE: WHY EUROPE NEEDS A NEW DEMOCRATIC NARRATIVE
Mariya Yurukova 135

COUNTERING MISINFORMATION WITHOUT CONTENT CONTROL: CONSTITUTIONAL PERSPECTIVES ON THE CONDITIONS OF DEMOCRACY
Douglas B. McKechnie 150

DEMOCRATIC RESILIENCE AS THE EUROPEAN UNION'S STRATEGIC RESPONSE TO GLOBAL POWER RIVALRY IN THE 21ST CENTURY
Mira Kaneva and Nikola Peykov 162

EU DATA PROTECTION AND AI REGULATION: CONSIDERING A SHIFT IN THE APPROACH TO INNOVATION AND FUNDAMENTAL RIGHTS
Denitza Toptchiyska 176

5. Panel
EUROPEAN VALUES, SOCIETY, EDUCATION AND CULTURE

INVESTIGATING THE FRAMING OF EU INTEGRATION IN THE 2024 - 2025 STUDENT PROTESTS IN SERBIA: THE CHALLENGES OF EMPIRICAL RESEARCH
Natasza Styczyńska 189

CIVIL SOCIETY AND THE PROTECTION
OF FUNDAMENTAL RIGHTS IN THE EU AI ACT
Miruna Andreea Balosin 200

THE TRANSFORM4EUROPE EXPERIENCE:
CHALLENGES AND OPPORTUNITIES IN CROSS-BORDER
MICROCREDENTIALING
Nikolina Tsvetkova, Desislava Karaasenova 211

CULTURE COMPASS FOR EUROPE: THE ROLE
OF CULTURE IN SHAPING THE EU'S FUTURE
Alexandra Milanova 220

6. Panel
EU ENLARGMENT AND NEIGHBOURHOOD POLICIES -
EU Conditionality and the Transformation of Candidate States

EU ENLARGEMENT BETWEEN LAW AND CONDITIONALITY:
LEGAL FRAMEWORK FOR THE EU ENLARGEMENT POLICY
Janja Simentić Popović 231

BETWEEN FORMAL COMPLIANCE AND SUBSTANTIVE
TRANSFORMATION: EVIDENCE OF A REPETITION TRAP
IN EU CONDITIONALITY
Doris Malaj 243

REFORMING THE STATE, TRANSFORMING THE ECONOMY:
POLITICAL – ECONOMIC CRITERIA INTERDEPENDENCE
UNDER EU CONDITIONALITY
Elena Polo 254

7. Panel
EU ENLARGMENT AND NEIGHBOURHOOD POLICIES -
National and Regional Case Studies

„EUROPEANISATION" IN BULGARIAN ACADEMIC
LITERATURE: 1993 - 2024
Daniela Decheva, Lubomira Popova, Mirela Veleva 267

TERRITORIAL INTEGRITY IN THE WESTERN BALKANS
IN TIMES OF RUSSIAN AND AMERICAN NEO-IMPERIALISM
Christopher Walsch 278

SHALLOW EUROPEANIZATION AND
THE DOMESTIC LIMITS OF EU FUND ABSORPTION:
SERBIA'S IPARD EXPERIENCE
Ivana Radić Milosavljević, Miloš Petrović 292

GREETING ADDRESS

Yordanka Chobanova
Head of European Commission Representation in Bulgaria

Sofia, 11 May 2026

Dear Prof. Shikova,

Dear Members of the Scientific and Organising Committee,

On the eve of the twentieth anniversary of Bulgaria's accession to the European Union, it is particularly inspiring to see Bulgaria emerging – through this conference – as a hub for strategic European reflection.

This conference comes at a particularly opportune moment for Europe.

Europe's independence is about our security and prosperity, about protecting our freedoms: the freedom to decide what kind of society and democracy we want to live in.

When our founders came together after the tragedy of World War Two, they chose cooperation over conflict, democracy over authoritarianism, and solidarity over self-sufficiency. Ever since, Europeans have confirmed that choice – with each election, each new Treaty, and each wave of new accessions to our Union.

Democracy flourishes when it is built on economic prosperity and protected by external threats. Today this cannot be taken for granted. We are part of a world of wars and economic coercion – from Europe's eastern borders to the Middle East.

To protect our democracy and way of life in a fragmented world, Europe must have its independence moment.

During the last four years, we Europeans have learnt how vulnerable we are when we have overdependencies – for example, on fossil fuels.

This overdependency, combined with the volatility of the global prices of energy, is hurting Europe's competitiveness. The EU is therefore focusing on its own assets. As Commission President Von der Leyen recently stated, we must build our energy reliance on the homegrown, renewable, cheaper and predictable energy sources that we do have.

In the domain of security, we need to be able to stand up for ourselves in the pursuit of our interests: our market, our trading reach, our economic security.

Together, we have brought European defence cooperation to an unprecedented level.

Europe will always defend the rules-based system that it helped to build over the years. At the same time, we are building our own European path of cooperating with partners globally. We are becoming more resilient and more sovereign – from defence to energy, from critical raw materials to strategic technologies.

Europe protects what matters to us: our communities, our way of life, our foundations and achievements.

Ladies and gentlemen,

It is my distinct honour to formally open the Thirteenth International Scientific Conference „Risks and Prospects for Europe“, convened by our esteemed partners and friends at the Sofia University's Department for European Studies.

I am confident that this academic conversation will be both candid and highly productive.

GREETING ADDRESS

Teodor Stoychev
Head of the European Parliament Bureau in Bulgaria

Dear Members of the Scientific and Organising Committee,

Dear colleagues, and friends,

It is a great honour to stand before you today on behalf of the Liaison Office of the European Parliament in Bulgaria, at the invitation of the European Studies Department of Sofia University - an institution that has long served as an intellectual bridge between Bulgaria's rich historical legacy and its European present and future. Sofia University, and in particular the Jean Monnet Centre of Excellence, has become a vital forum for European reflection and scholarship. At a moment when our continent is confronted by multiple and overlapping crises, we increasingly look to the academic community for the insight, analysis, and strategic vision that Europe so urgently requires.

For decades, the European Union was shaped by the pursuit of stability. Yet today, many would argue that stability alone is no longer sufficient. In an era defined by permanent uncertainty, Europe is moving from a paradigm of stability to one of preparedness. Whether we speak of our defence arrangements or the strategic autonomy of our economies and supply chains, the objective remains the same: to ensure that Europe is not merely carried along by the currents of global history but continues to shape its direction with confidence and purpose.

I am particularly pleased that the 13th International Scientific Conference includes panels dedicated to European values and education. The European Parliament firmly believes that our resilience cannot be measured solely through defence capabilities or fiscal instruments. It is equally reflected in the outlook, civic awareness, and critical thinking of our students – from Sofia to Kraków to Cluj-Napoca. As we examine questions of democratic resilience and the realities of 21st-century information warfare, we should remember that Europe's greatest strength lies in the culture of openness, transparency, human rights and democracy, fostered in institutions such as this one.

At the same time, these broad European strategies risk remaining abstract unless they are rooted in the lived experience of our member states. To understand how „strategic resilience" functions in practice, we must look to the challenges, responses, and leadership emerging across the Union – including here in Bulgaria, at Europe's southeastern frontier. As a Black Sea state

and a gateway to the Western Balkans, Bulgaria is no longer simply a participant in European policymaking; it is increasingly a place where the future of European policy is being shaped.

Whether we are discussing Bulgaria's path toward Eurozone membership as an instrument of strategic resilience or reflecting on the implications of Article 42(7) in an evolving security environment, Bulgaria's geopolitical position and national experience offer an essential perspective to the wider European debate.

Moreover, Bulgaria's long journey back to the European family now serves as both an example and a source of inspiration for many of our neighbours pursuing accession to the European Union. Our experience navigating democratic transition places us in a unique position to support and mentor those aspiring to join our Union. Today, Bulgaria is not only a beneficiary of European integration, but also an active contributor to the intellectual and political debates shaping Europe's future.

Many of the issues you will address during this conference are also at the forefront of the European Parliament's agenda. The decisions taken on these questions will ultimately be reflected in the next Multiannual Financial Framework – the European Union's long-term budget, which will shape the Union's priorities for years to come. The European Parliament has already adopted its negotiating position, calling for a 10 percent increase in the MFF in order to provide adequate resources for emerging priorities such as defence, security, and competitiveness, while safeguarding core European policies including cohesion and agriculture.

On behalf of the Liaison Office of the European Parliament in Sofia, I would like to thank you for your scientific contributions and wish you a productive and inspiring conference. The ideas developed and debated here today will help shape the policies discussed tomorrow in Brussels and Strasbourg. I look forward to two days of meaningful dialogue, thoughtful analysis, and shared European vision.

Thank you!

1. PANEL

RISKS AND PROSPECTS FOR EUROPE –

The European Union between Polycrisis and Political Maturity

CURRENT GEOPOLITICAL RISKS AS CHALLENGES AND OPPORTUNITIES FOR EUROPEAN UNITY

Prof. Matthias Waechter, PhD
Director General of the CIFE –
Centre International de Formation Européenne

Abstract

This paper examines the impact of contemporary geopolitical crises on European integration through a historical and analytical perspective inspired by Jean Monnet's statement that Europe is built through crises. It argues that crises have produced three distinct types of outcomes: incremental integration, fragmentation, and profound transformation. By comparing historical experiences with current geopolitical challenges, the paper demonstrates that Russia's war against Ukraine, growing global instability, and the changing transatlantic relationship are accelerating the European Union's evolution into a geopolitical actor. The study contends that European sovereignty, particularly in the fields of security and defence, is emerging as the next stage of integration. However, the success of this transformation will depend not only on institutional reforms and financial resources but also on political leadership, sustained unity among Member States, and the development of a stronger European identity capable of securing citizens' support for the Union's geopolitical ambitions.

Keywords: European Union, geopolitical crises, European sovereignty, security and defence.

1. Introduction

„I have always thought that Europe would be made in crises, and would be the sum of the solutions we would bring to theses crises", Jean Monnet wrote in the later period of his life in his memoirs.[1] In times like ours, where one crisis chases the other and where it has become commonplace to talk about a „polycrisis" affecting the European Union, it is timely to reflect about Monnet's statement.[2] Do crises lead to more unity or to more fragility of the

[1] Jean Monnet, Mémoires, Paris: Fayard, 1976, p. 488.

[2] Adam Tooze, „Welcome to the World of the Polycrisis", Financial Times, 28 October *2022*. https://adamtooze.com/2022/10/28/welcome-to-the-world-of-the-polycrisis/

European Union? Has the EU advanced through crises, as the founding spirit of the integration process claimed? In my short paper, I try to answer these questions by addressing three points: Firstly, I would like to reflect about Monnet's statement in retrospective. What does European integration history tell us about the EU's response to crises? Secondly, I will look at where we stand today at what the EU has achieved in terms of response to current geopolitical crises. And thirdly, I will outline what remains to be done in order to make the current crises into a transformative moment.

2. European crisis response in a historical perspective

When looking into the history of European integration, we can detect different types of crises and various forms of response to them. We could distinguish between

- crises leading to incremental progress of the integration project
- crises creating fragility, vulnerability, or even regression
- and crises profoundly transforming the Union.

As far as the *first* type of crises is concerned, we find mostly economic ones, to which the European has been able to respond by designing new instruments. The European integration process being mainly an economic project, it seems that the Union finds it the easiest to deal with crises affecting principally the economy. Over the decades, it has developed a certain routine in responding constructively to economic shocks, starting with the first economic crisis after the end of World War: Triggered by the end of the Bretton Woods system in 1973, Europe went into recession as well as inflation. The nine member states of the EC were first tempted by narrowly national responses to the end of the „Golden Age" of growth and full employment, but opted then for strengthening the community. Under the leadership of French President Valéry Giscard d'Estaing and German chancellor Helmut Schmidt, the European Council was created as the regular meeting of the heads of state or government, in order to find common responses to the crisis and reinforce convergence between the member states. Confronted with menacing monetary instability brought about by the end of fixed exchange rates, Giscard and Schmidt designed a European response to the new situation: The European Monetary System (EMS), which should keep fluctuation between the currencies of the European Community within narrow bonds. Looking back from today, the EMS was the first step to the Economic and Monetary Union, which has become the cornerstone of European integration.

Another example for a crisis leading to incremental progress is the financial and sovereign debt crisis starting in 2008/9. From an early stage, it became visible that the Eurozone was not prepared to tackle an asymmetric shock leading to enormous economic difficulties in some member states. The EU reacted quickly by putting into place various instruments in order to provide financial assistance to member states in difficulties, the first being the European

Financial Stability Facility, followed by the European Stability Mechanism. The crisis also led to a new regulatory framework under the auspices of the Banking Union and a stronger supervisory role of the European Central Bank.

A third crisis triggering a constructive, innovative response was the Covid19 pandemic of 2020, which led not only to a devastating crisis of public health, but also to an economic slump affecting asymmetrically the member states. Again, the EU found, after a short period of hesitation, a coordinated response leading to incremental progress: First with the creation of the 750 billion rescue fund „Next Generation EU", which saw Germany lift a long-held taboo concerning a common European debt. Secondly with the common procurement of vaccines, giving the European Commission a key role in combating the pandemic. Thus, the Covid19 crisis created positive spillovers leading to more European unity.

When we look at the *second* type of crises, those leading to disunity, vulnerability, and fragmentation, we find mostly geopolitical crises. When the Cold War reached a peak in the 1950s, the bold attempt to create a „European Defence Community" (EDC) with a common European army failed, because the French National Assembly did not ratify the treaty. This was probably the most devastating setback of the European project ever, since the EDC would have meant a real leap forward towards a political union: A European Political Community should have been created along with the defence community, leading to a premature federalisation of Europe. „The failure of the EDC meant the defeat of the European camp", argued the political philosopher Raymond Aron in 1956, „and it has never recovered from it".[3]

A further geopolitical crisis leading to fragility and disunity were the wars in the wake of the dissolution of Yugoslavia. „This is the hour of Europe" - with these famous words commented by Franзois Poos, then Foreign Minister of Luxemburg, the disintegration of Yugoslavia in 1991. Contrary to these hopes, the EU demonstrated powerlessness and incoherence, being confronted with the outbreak of violence between the composing states of the federation. Due to century-old links to the different composing nations of Yugoslavia and diverging interests, the EU member states were at first helpless bystanders in the Balkan wars. Only a massive intervention by the international community led by the US could bring conflict settlement and enforce stabilisation.

A last example for a crisis leading to European disunity was the Iraq war of 2003. When US President George W. Bush forged a „coalition of the willing" ready to invade Iraq and topple the regime of dictator Saddam Hussein, some member states, led by the United Kingdom joined in, whereas others, among them France and Germany, were adamantly opposed to the intervention, which they esteemed to be against international law. Thus, the Iraq war not only created

---

[3] Aron quoted in: Robert Belot/Daniela Preda, La Communauté européenne de défense, retour sur un échec 70 ans après, in: L'Europe en Formation. Journal of Studies on European Integration and Federalism, no. 396, Winter 2022, p. 11.

a deep transatlantic rift, but also a major division among the EU member states, who were far away from the common foreign policy they were aspiring too.

Still, we should not forget that geopolitical crises do not necessarily lead to disruption among the member states, but can also lead to a profound transformation of the union, which leads us to the *third* type of crises. The examples here are the end of the Cold War in 1989 and the dissolution of the Soviet Union in 1991, leading to two transformative experiences: The creation of the Economic and Monetary Union as a response to German reunification, and the accession of 11 Central and European countries as a response to the breakdown of the Soviet-dominated world. These experiences far surpassed the incremental progress of other crisis responses; rather, we found ourselves in a different Union than the one we had known before.

3. Where do we stand now?

When delivering a programmatic speech in the Parisian University La Sorbonne in 2017, Emmanuel Macron used the term „European sovereignty", defining it as the EU's capacity to act autonomously.[4] By coining the term of European sovereignty, Macron wanted to build a bridge between two traditions of French political life, between Europeanisation, as it had been invented by Jean Monnet, and the espousal of national sovereignty, as it had characterized the European policy of President Charles de Gaulle. In associating the concept of sovereignty with Europe, Macron wanted to demonstrate to French citizens as well as to his European audience that key attributes of national sovereignty such as security and defence did not necessarily need to remain the exclusive competence of the states, but could be exercised collectively on a European level, in order to better protect the citizens and strengthen the EU's role in the international arena.

Much to his regret, Macron's appeal for a sovereign Europe did not receive many favourable reactions, notably not from Germany as the main partner country of France in the European Union. Chancellor Merkel explained her cautious reaction by noting that she was leading a caretaker government and did not have a mandate to give a more substantial response. However, there were more deep-seated reasons for Germany's reticence towards the idea of a sovereign Europe. To the German leaders of the time, the concept of an autonomous Europe did neither sound convincing nor appealing, as the country felt quite comfortable in its dependence from three powers: From the United States for security, from Russia for energy, and from China for trade.

Since then, the European Union has undergone a transformation, which progressively brings it closer to the ideal of a sovereign entity acting auto-

[4] Emmanuel Macron, Initiative pour l'Europe, Paris, 26 September 2017. https://www.elysee.fr/emmanuel-macron/2017/09/26/initiative-pour-l-europe-discours-d-emmanuel-macron-pour-une-europe-souveraine-unie-democratique

nomously in the world. Already in 2019, Ursula von der Leyen announced in her State of the Union address that under her leadership the European Commission should become a „geopolitical" actor.[5] Still, the topic of defence as a future area of responsibility for the European Union was not mentioned. This began to change with the Russian invasion of Ukraine in 2022, which at first did not find a unified response among the member states, but exposed Europe's enduring dependence on US leadership while deepening divisions over security policy. One camp, which can be described as „Gaullist", advocated greater European strategic autonomy from the United States, a position championed by French President Emmanuel Macron. Another, the „Atlanticists" - including Germany, Italy, Poland, and the Baltic states - viewed the war as confirmation of the indispensability of NATO and the US security guarantee. Alongside these positions were „Pacifists", who favoured negotiations and limited military involvement, and „Putinists", who sought to preserve cooperative relations with Russia and argued that Moscow's security concerns should be taken into account.

Starting from these diverging positions, the EU has been moving slowly from fragility to unity, by aligning progressively with the concept of European sovereignty. In this regard, an increased activity of the European Commission can be observed, which has more and more appropriated the issue of security and defence. Thus, the European Commission taking office in 2024 includes for the first time a „Commissioner for Defence and Space". In the same period, key documents on the future European defence agenda appeared, such as the „White Book on Defence" and the „Niinistö Report", which introduced „preparedness" as a new key notion: The EU should not only react but be prepared to face hybrid threats and systemic risks for the supply of energy and other critical goods, indicating a redefinition of the EU's security and defence policy.[6]

Still, the key moment leading to more European unity has been the return to power of Donald Trump as US president. Within the first months of his second presidency, the Atlanticist option as a response to the Russian war of aggression against Ukraine has become less viable, whereas the scenario of an abandonment by the American hegemon appears more and more conceivable. Under these auspices, the second Trump administration can be described as a second *Zeitenwende* (turning point), as which German Chancellor Olaf Scholz had characterized the Russian attack of 24th February 2022. By necessity, countries with a strong transatlantic tradition such as Germany are shifting their perspective toward the goal of European sovereignty, leading to a different discourse among national leaders, but also the Commission. Thus, in her State of the Union

---

[5] Ursula von der Leyen, Speech delivered in front of the European Parliament, 27 November 2019. https://commission.europa.eu/document/download/92e3af02-8882-4e37-b073-120d47f3a011_en?filename=president-elect-speech-original.pdf

[6] Report: Safer together - Strengthening Europe's Civilian and Military Preparedness and Readiness, 30 October 2024. https://commission.europa.eu/document/5bb2881f-9e29-42f2-8b77-8739b19d047c_en

Address of 2025, Ursula von der Leyen announced „Europe's independence moment. I believe this is our Union's mission. To take care of our own defence and security".[7] To fulfil this goal, the EU has unlocked unheard amounts of money for defence procurement, with a strong role of the Commission to steer the common defence effort. Without a treaty change and in an incremental way, we are progressively Europeanizing a policy field which was so much protected by national sovereignty. As an indicator for the transformation the European Union is undergoing can also serve the unified response which it gave to recent geopolitical crises, such as the Greenland crisis and the war on Iran.

4. What remains to be done?

The course, which the European Union has taken since 2022 is not irreversible. The poison of disunity and fragmentation is not completely defeated but can reappear. Thus, the transformation to a geopolitical actor must be continued with determined leadership from Brussels, but also constant support from the member states. Not all leaders especially of big member states seem to have understood that they can only play a role in international affairs *because* they are members of the EU. Additional risks for this transformative process constitute the results of future national elections, as many citizens can still be seduced by eurosceptic arguments. Thus, the clear, direct, and inspiring communication of the European integration project must be priority of equal value.

In this context, it is regrettable that the new momentum for European defence as a response to the current geopolitical risks remains so far an elite project. There has been no attempt to include the citizens into it, who in the key documents and speeches are only mentioned insofar as they need protection. However, the new impetus for a common defence should be used as a catalyst to tackle an unsolved question: the need for a European identity. We are confronted with a paradox of European integration: It is delivering successfully more and more public goods, but it fails to foster a real „we-feeling" among Europeans - a strong sense of European identity. Maybe, a common European identity remains a pious wish as long as a decisive policy-field is not encompassed by the European Union: the security and defence of our own territory. In this regard, the geopolitical risks of today remain an unexploited crisis, if we do not use them to construct a security community with a strong political identity.

When we ask again whether Jean Monnet's statement on the constructive impact of crises for European integration is correct, we have to give a nuanced response. Crises can lead to incremental progress, but also to setbacks and disruption. Only if political leadership grasps the full potential of a crisis, it can be turned into a transformative experience. This was the case in the aftermath of the Cold War, when foresighted leaders put on track the deepening

[7] Ursula von der Leyen, Speech delivered in front of the European Parliament, 10 September 2025. https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_25_2053

of European integration through the monetary union and widening through the enlargement to Central and Eastern Europe. Today's crises being mainly geopolitical rather than economic, security and defence may become for the twenty-first century what the single market and the euro were for the twentieth: the principal catalyst of political integration. Whether this transformation succeeds, however, will depend not only on institutions and budgets but on the ability to persuade European citizens that security is a genuinely shared political project rather than merely another policy area.

References

1. Aron quoted in: Robert Belot/Daniela Preda, L*a Communauté européenne de défense, retour sur un échec 70 ans après*, in: L'Europe en Formation. Journal of Studies on European Integration and Federalism, no. 396, Winter 2022, p. 11.
2. Macron, Emmanuel. *Initiative pour l'Europe*, Paris, 26 September 2017. https://www.elysee.fr/emmanuel-macron/2017/09/26/initiative-pour-l-europe-discours-d-emmanuel-macron-pour-une-europe-souveraine-unie-democratique
3. Monnet, Jean. *Mémoires,* Paris : Fayard, 1976, p. 488.
4. Report: *Safer together - Strengthening Europe's Civilian and Military Preparedness and Readiness*, 30 October 2024. https://commission.europa.eu/document/5bb2881f-9e29-42f2-8b77-8739b19d047c_en
5. Tooze, Adam. *„Welcome to the World of the Polycrisis"*, Financial Times, 28 October 2022. https://adamtooze.com/2022/10/28/welcome-to-the-world-of-the-polycrisis/
6. Von der Leyen, Ursula. *Speech delivered in front of the European Parliament*, 27 November 2019.https://commission.europa.eu/document/download/92e3af02-8882-4e37-b073-120d47f3a011_en?filename=president-elect-speech-original.pdf
7. Von der Leyen, Ursula, *Speech delivered in front of the European Parliament*, 10 September 2025. https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_25_2053

THE EUROPEAN UNION: FROM FIVE STAGES OF INSTITUTIONAL GRIEF TO POLITICAL MATURITY?

Prof. Ingrid Shikova, PhD
European Studies Department, Faculty of Philosophy,
Sofia University „St. Kliment Ohridksi“

Abstract

Over the past decade, the European Union has faced a series of overlapping crises - from the sovereign debt crisis and Brexit to the COVID-19 pandemic and geopolitical challenges. This article proposes that these recurrent shocks can be understood not only as policy challenges but as a process of collective institutional grief, reflecting the gradual changes of the EU's integration model. Using the Kьbler-Ross model of grief as a heuristic framework, the study examines how denial, anger, bargaining, depression, and acceptance manifest in EU institutions, political discourse, and policy responses. The analysis highlights that while the EU often oscillates between incremental solutions and ambitious rhetoric, acceptance, understood as a conscious political choice rather than resignation, is crucial for enabling strategic renewal, and strengthening the Union's social and global role. By applying the Kьbler-Ross model lens, this article offers a diagnostic perspective on the EU's present and pathways for its future political development.

Keywords: European Union, polycrisis, 5 stages of grief, Kübler-Ross model, strategic renewal

Introduction

Over the past 15 years, the European Union has been confronted with a sequence of overlapping and mutually reinforcing crises-sovereign debt crisis, Brexit, immigration crisis, COVID-19 pandemic, Russia's war against Ukraine, energy crisis, the energy crisis caused by military actions in the Middle East and the closure of the Strait of Hormuz. These developments have increasingly been described as a polycrisis[1]. According to Cambridge dictionary „polycrisis

[1] The term „polycrisis“ was coined by Edgar Morin and Anne Brigitte. *Terre-Patrie* (in French). (Éditions du Seuil,1993). The term was used in reference to the EU by Jean-Claude Juncker-President of the European Commission (2014-2019) and widely discussed at the World Economic Forum in Davos 2023 by Adam Tooze, professor of History at the University of Columbia in New York. See https://www.weforum.org/stories/2023/03/polycrisis-adam-tooze-historian-explains/

is a time of great disagreement, confusion, or suffering that is caused by many different problems happening at the same time so that they together have a very big effect."[2]

A substantial body of literature has analysed the EU crises. Scholars such as Adam Tooze, Jozef Bátora, Erik Fossum, Lodge & Wegrich, Schmidt, Zielonka and others have analysed crises challenges in terms of institutional dysfunctions, coordination failures, and deficiencies in problem-solving capacity. While these analyses have provided valuable insights into the operational limits of EU governance, they tend to treat crises primarily as policy failures or technical disturbances within an otherwise stable integration paradigm.

In this paper I would not repeat the analyses already made on crisis management in the EU.[3] These analyses are numerous and examine crisis management from a variety of angles and perspectives.[4] I would suggest a different interpretation and argue that the EU's current predicament cannot be adequately understood as a mere succession of isolated crises. I argue that repeated shocks and crises have increasingly called into question the integration model itself. The expectation that economic integration and regulatory governance would gradually produce political cohesion and social convergence over time appears less convincing today than it was eight decades ago.

To examine this development, the article uses the Kübler-Ross model of grief as a heuristic analytical framework.[5] The article conceptualises the EU's responses to crises as a form of collective institutional grief,[6] expressed through recurring patterns of decisions, institutional behaviour, and policy design. The five stages of the grief model - denial, anger, bargaining, depression, and acceptance are not treated as sequential phases but as coexisting and overlapping modes of response that may characterise different actors, policy fields, and moments in time. It means that the EU does not progress linearly through these stages. Different policy domains and political actors may simultaneously occupy different phases of this process. Methodologically, the paper adopts a qualitative and interpretative approach based on the analysis of EU-level

---

[2] https://dictionary.cambridge.org/dictionary/english/polycrisis

[3] See Jürgen Habermas. *The Crisis of the European Union: A Response*. (Cambridge: Polity Press. 2012.) Vivien A. Schmidt. *Europe's Crisis of Legitimacy: Governing by Rules and Ruling by Numbers in the Eurozone*. (Oxford University Press. 2020.)

[4] Laura Mastroianni, Giliberto Capano, Stefania Profeti. *Unpacking the multidimensional relationship between crisis and policy change: a systematic review*, Oxford, Policy and Society, 2026, 45(1), 14-32

[5] Elisabeth Kübler-Ross. *On Death and Dying*. (Routledge. 1969.)

[6] An interesting interpretation of institutional grief is given by Peggy Haymes „Institutional grief is real. We tell ourselves that an institution is but brick and mortar, but it's more than that. It may be a community that raised us and shaped us. It may be an integral part of our past. We may have assumed, with every good reason, that it was going to be an integral part of our future... It's about the loss of a community with whom your life and your calling was interwoven." https://www.pinnlead.com/blog/2024/2/6/institutional-grief

political discourse, key policy initiatives, and the literature on European integration and crisis governance.

The operationalisation of the Kübler-Ross framework in this article proceeds through three analytical steps. First, each stage is identified through dominant narrative patterns in official EU documents and key political speeches, as well as in the academic and policy commentary surrounding specific crisis episodes. Second, the assignment of a given episode to a specific stage is based on the dominant institutional response. The question is not whether all EU actors occupied a given stage simultaneously, but whether the prevailing logic in policy design, public communication, and political negotiations is best characterised by denial, anger, bargaining, depression, or acceptance. The Eurozone crisis, the migration crisis, and the response to Russia's invasion of Ukraine all demonstrate that the Union often reacts unevenly, with some actors pushing for structural adaptation while others continue to defend existing arrangements. Third, where multiple stages coexist in the same period, the analysis identifies the dominant mode while acknowledging the presence of competing responses. This approach follows the precedent established in organisational grief literature[7] where stages are treated as typical descriptions of patterned behaviour.

By mapping the European Union's recent evolution onto the logic of collective grief, the article aims to achieve two objectives. First, it offers a diagnostic perspective that explains why the EU often oscillates between ambitious rhetoric and incremental, temporary solutions. Second, it highlights the political significance of „acceptance" as a necessary precondition for strategic renewal of EU through a conscious political choice, particularly in relation to the future of European integration, the social dimension of the Union, and its role as a global actor. The analysis seeks to clarify both the risks of the Union's strategic hesitation and the conditions under which political renewal may become possible.

2. Theoretical Framework: The relevance of Kübler-Ross model

The model of Dr. Elisabeth Kübler-Ross also known as the Kübler-Ross Change Model and as the Kübler-Ross Stages of Grief, is a framework that outlines the emotional stages individuals typically go through when facing significant change. It was originally developed to describe psychological responses to loss, most notably in the context of serious illness, crises and shocks. The five stages of the Kübler-Ross Model are as follows: 1. Denial - individuals refuse to accept the reality that the change is happening or that it will have a significant impact on their lives; 2. Anger - people are frustrated and angry, they direct their anger towards the change itself or towards those perceived as responsible for the change; 3. Bargaining - people may try to attempt to

[7] Yiannis Gabriel. *Organizations in Depth: The Psychoanalysis of Organizations*. (Sage. 2012.)

negotiate in order to regain what has been lost, to mitigate the impact of the change and to revert to the previous state; 4. Depression - this stage is characterized by disengagement, loss of interest, sense of grief for what has been lost; 5. Acceptance - people embrace the new reality, they start to adapt to the changes, to move forward, to explore the opportunities within the new context.

Over time, the model has been adapted and applied far beyond its initial clinical setting. Scholars in organizational studies, sociology, and political sciences have employed the concept of grief to analyse processes of profound disruption, transformation within groups, institutions, and even entire societies. Peter Marris treats the grief no longer as a purely psychological phenomenon but as a patterned response to the breakdown of taken-for-granted norms, expectations, and future trajectories[8]. Collective grief refers to a socially structured process through which a political community or institution respond to the destabilisation of shared meanings, identities, or expectations. As suggested by Erikson, such trauma affects the „tissues of social life“[9].

It is important to clarify the limits of the analogy employed in this article. The concept of grief in this paper is not used in a psychological sense, nor does it imply that institutions „experience“ emotions in the way individuals do. The grief is understood as a metaphor for the destabilisation of an established model of integration and the disruption of expectations about continuity, progress, and institutional purpose. The model of integration, centred on market-building and regulatory governance, with limited fiscal, social, and political capacities has generated significant achievements but has also revealed structural asymmetries. One of the central challenges is not problem-solving capacity of the EU, but the ability to articulate a consciously chosen political future. Institutions, like individuals, are embedded in narratives about continuity, purpose, and anticipated trajectories. When these narratives are destabilised by external shocks, internal contradictions, or cumulative crises, institutions often respond in patterned ways that resemble the stages identified by Kübler-Ross. Peter Mair describes the process as „erosion of purpose“.[10]

The Kübler-Ross model is not employed here as a deterministic or linear theory of change. In the context of the European Union, this non-linearity is particularly relevant. Different EU institutions, EU member states, and policy domains may occupy different stages at the same time. The analytical value of the Kübler-Ross model lies in its capacity to connect short-term policy responses with deeper questions of institutional identity and long-term orientation of the European integration. Conventional crisis-management frameworks tend to focus on problem-solving within existing paradigms, often assuming that the underlying model of integration remains intact.

---

8 Peter Marris. *Loss and Change*. Revisited edition (Routledge 2015 [1974])

9 Kai T. Erikson. *Everything in Its Path: Destruction of Community in the Buffalo Creek Flood*. (New York: Simon & Schuster. 1976.)

10 Peter Mair. *Ruling the Void: The Hollowing of Western Democracy*. (Verso. 2013.)

It is worth clarifying the relationship between the grief framework proposed by this paper and the most influential alternative account of EU crisis dynamics: the „failing forward" thesis advanced by Jones, Kelemen, and Meunier.[11] „Failing forward" theory argues that the EU characteristically responds to crises through incomplete institutional fixes that resolve immediate distributional conflicts while leaving deeper structural problems unaddressed, thereby sowing the conditions for the next crisis. The „failing forward" concept is based on the statement that „some national leaders may believe that limited reforms may prove sufficient; others may recognize their inadequacy but simply prefer to postpone deeper, more unpopular reforms as long as possible-potentially to be dealt with by future governments."[12] The „grief framework" complements „failing forward" by highlighting the interpretative dimension: why do EU actors consistently choose incremental fixes over structural reform. The answer proposed here is not simply that distributive conflicts make deeper reform politically infeasible, but that the EU has not yet, as an institutional community, acknowledged the loss of its founding paradigm. The EU's recurring tendency to oscillate between ambitious rhetoric and temporary compromise reflects more than institutional inefficiency. It reflects uncertainty about what kind of political project the Union wants to become. A strategic renewal would become possible when political actors recognize that the previous model can no longer fully deliver the objectives attached to it.

3. The European Union - the Five Stages of Collective Grief as Five Stages of Institutional Response

In this part of the paper the Kübler-Ross model is applied to the European Union by examining how different stages of collective grief are reflected in institutional behaviour, and policy responses. The purpose is not to assign the Union a single, unified position within the model, but to demonstrate how elements of each stage coexist across time, institutions, and policy domains.

3.1 Denial: Business as Usual and the Limits of Incrementalism[13] (small steps approach)

Denial can be understood as the tendency to treat systemic shocks as temporary disturbances rather than as indicators of structural limitations in the integration model. This phase can be defined as maintaining the status quo despite the presence of crisis symptoms. The narrative is „Everything is fine; this is a temporary crisis". Institutions react with „a little more regulation and one more fund and things will stabilize." In the initial phase of denial,

[11] Erik, R. Jones, Daniel Kelemen, and Sophie Meunier. *Failing Forward? The Euro Crisis and the Incomplete Nature of European Integration.(* Comparative Political Studies. 2015.)

[12] Ibid.

[13] Incrementalism is a theory of policy-making and decision-making that favours small, gradual, and remedial changes over time rather than rapid, radical, or comprehensive reforms.

institutions tend to preserve established routines and narratives despite growing evidence of systemic tensions.

In the European Union, this dynamic was particularly visible in the early management of the financial and sovereign debt crises, when EU institutions framed the crisis primarily as a problem of national fiscal irresponsibility rather than as a manifestation of design flaws in Economic and Monetary Union. The dominant response focused on reinforcing existing rules rather than revising the underlying architecture. Initially, the dominant assumption was that existing governance frameworks, most notably the Stability and Growth Pact and market-based adjustment mechanisms remained fundamentally sound, requiring only stricter enforcement or minor technical adjustments.[14]

A similar pattern emerged after the Brexit referendum, when initial reactions reflected disbelief and delayed strategic adaptation. The reaction to the shock of the 2016 United Kingdom referendum result was the initial reluctance of politicians and even EU institutions to believe that the referendum result would lead to a real exit. Another example is related to the EU - USA relations during Donald Trump's second presidential term. According to „Politico" „It took the EU an entire year to accept the loss of the transatlantic relationship."[15] Even before Donald Trump's re-election, it was clear that he would pursue a policy aimed at prioritizing American interests and that the European Union must be prepared for this. Despite the many signals from the American administration and Donald Trump's statements against the European Union, the Union remained in a phase of denial for a long time. The main narrative during this phase was that the USA cannot leave Europe without protection. Denial has also shaped responses to geopolitical and technological vulnerabilities, which were long treated as marginal rather than structural. In fact, denial is used as a kind of protection of the existing model of European construction.

3.2 Anger: Blame and Fragmentation

The main question „Who is to blame?" receives different answers: „Eastern countries do not respect the rule of law", „Southerners are financially irresponsible", „North is selfish and frugal", „Brussels is arrogant and elitist". Within the EU, this stage manifested through intensified blame-shifting among Member states and between national and European levels of governance.

The Eurozone crisis provides perhaps the clearest illustration of anger as an institutional mode. The public dismissal of southern European fiscal practices by senior Eurozone officials, most notoriously the suggestion that Mediterranean

---

[14] See Vivien A. Schmidt. *Europe's Crisis of Legitimacy: Governing by Rules and Ruling by Numbers in the Eurozone.* (Oxford University Press. 2020.) and Erik R. Jones, Daniel Kelemen, and Sophie Meunier. *Failing Forward? The Euro Crisis and the Incomplete Nature of European Integration.* (Comparative Political Studies 2015.)

[15] *Europe's 5 stages of grief. Politico.* https://www.politico.eu/article/opinion-europe-5-stages-grief-us-eu-trump/

countries had „wasted money on alcohol and women“[16], exemplified how structural tensions within the monetary union were systematically reframed as moral failures of specific member states. It should not be overlooked that in times of crisis, citizens' anger is directed towards the European Union. This is shown by the study of the Greek crisis in the eurozone by Cramme & Hobolt.[17] This phase is also characterised by the rise of populist and Eurosceptic movements. They use the anger to intensify the citizens' perceptions of unfairness, loss of control, and democratic deficit and to blame the European union. The tensions between the Council, the European Parliament, and the European Commission further illustrate how frustration during crises turns into inter-institutional rivalry.

The migration crisis also revealed how anger could fracture along geographic lines. The southern EU Member states blamed northern EU members for not supporting them enough. The northern EU Member states blamed the south for not doing enough to stop migrants heading north. But reality shows that blaming others is not the way to resolve the crisis.

3.3 Bargaining: Temporary Solutions and Short-term Compromises

Bargaining represents an attempt to preserve core elements of an existing system by introducing selective adaptations. In the EU context, this phase is reflected in a series of ad hoc and time-limited instruments designed to manage crises without fundamentally altering the architecture of integration.

The establishment of the NextGenerationEU package and the Recovery and Resilience Facility illustrates this logic: while unprecedented in scale and symbolically significant in introducing common debt issuance, NextGenerationEU was explicitly presented as a one-off response to extraordinary circumstances. It follows the principle „one time-last time“. Its legal design avoided establishing a permanent fiscal union, and debates about long-term repayment and rule conditionality revealed persistent reluctance to transform crisis solidarity into a structural feature of integration. Dawson and de Witte analyse in detail the role of NextGenerationEU in crisis management and EU transformation.[18]

The bargaining logic is equally visible in the management of the migration and asylum policy. The successive emergency relocation schemes, the EU-Turkey Statement of 2016, designed to curb irregular migration into Europe, reflect attempts to contain a structural challenge through time-limited, conditionally negotiated arrangements. Each instrument involved significant political

---

[16] The Euro group chief Dijsselbloem was under fire after saying that some Eurozone countries wasted money on 'alcohol and women', having in mind Southern countries.

[17] Olaf Cramme and Sara B. Hobolt, eds. *Democratic Politics in a European Union under Stress*. (Oxford University Press. 2015.)

[18] See Mark Dawson, &Floris de Witte. EU Law and Governance. (Cambridge. 2022)

trade-offs without addressing the underlying absence of a shared framework for responsibility distribution.

The proliferation of enhanced cooperation mechanisms in defence, in the fiscal domain, and in the energy field follows the same logic: coalitions of willing member states advance incrementally, preserving the formal unity of the Union. Similar dynamics can be observed in the proliferation of opt-outs, differentiated integration, and conditionality mechanisms. While these tools have enabled short-term compromise, they also reveal a reluctance to deeper „constitutional" clarification. Bargaining results in partial, compromise-based deals thus allowing the Union to postpone decisive choices, partly sustaining functionality and appearance of unity, but without fully resolving underlying tensions in the existing integration model and leaving the constitutional questions unanswered.[19]

3.4 Depression: Strategic Fatigue and Eroding (Self)Confidence

This phase is particularly critical, as it is associated with the lack of vision. The main characteristics and manifestation are strategic fatigue, civic apathy, pessimism, fear of technological and military dependence. The depression stage is characterised by declining confidence, reduced ambition, and a sense of strategic exhaustion. In the European Union, this phase is visible in recurrent debates about global relevance, technological dependence, and security vulnerabilities. Despite growing awareness of external vulnerabilities, responses have remained cautious and fragmented. Ambitious strategic narratives coexist with partial implementation and declining public engagement.

At the societal level, symptoms of depression appear in persistent low electoral participation in European elections, limited public engagement with EU-level debates, and a widening gap between institutional rhetoric and citizens' lived experiences. Turnout in elections to the European Parliament remained below 50 percent for decades, reaching a historic low of 42.61 percent in 2014 before increasing again in 2019 and 2024 to 50.66 percent and 50.74 percent.[20] This recovery coexists with rising support for Eurosceptic and anti-establishment parties in several Member States. Eurobarometer surveys reveal a similarly mixed picture: while overall support for EU membership remains relatively high (72% believe their country has benefited from being a member of the EU)[21], citizens frequently express doubts about the Union's capacity to protect them against economic insecurity, geopolitical instability, and technological dependence. This combination of formal support and substantive anxiety reflects the uncertainty about the EU's strategic direction. At the institutional level, ambitious narratives such as „strategic autonomy" or „geopolitical Commission" have often outpaced im-

---

[19] Liesbet Hooghe and Gary Marks. *Grand Theories of European Integration in the Twenty-First Century.* (Journal of European Public Policy 26(8) 1113-1133. 2019.)

[20] Source European Parliament https://results.elections.europa.eu/en/turnout/

[21] Standard Eurobarometer 105 - Spring 2026

plementation capacities, reinforcing the perception of a gap between rhetoric and delivery. This institutional ambivalence, visible across cohesion policy, industrial strategy, and defence are characteristic of the depression phase: the capacity for diagnosis outpaces the willingness for transformation.

Institutionally, this phase is marked by a preference for risk-averse policies, reflecting uncertainty about the Union's capacity to act as a coherent global actor. „We encounter a general impression of weariness and ageing, of a Europe which is now a grandmother, no longer fertile and vibrant," Pope Francis told the European parliament in Strasbourg.[22] Padoa-Schiopa wrote about a „Europe of melancholy" with symptoms of lost confidence and support, inaction, loss of interest in influencing the outside world, withdrawal into oneself, low self-esteem.[23]

3.5 Acceptance: Recognition, Choice, and Opportunity of Renewal

The concept of „acceptance" is reinterpreted in explicitly political terms. Acceptance does not imply resignation to decline or the abandonment of ambition. Acceptance, as applied to the European Union, does not signify the end of crisis or the resolution of all tensions. It denotes the recognition that the current integration model can no longer, on its own, sustain the Union's political, social, and geopolitical ambitions. Acceptance functions as a precondition for action: only by acknowledging the limits of the existing model can the European Union articulate a coherent vision for renewal. This reframing allows the Kübler-Ross model to serve as a bridge between analytical interpretation and the debate about the future of European integration. It helps to explain why the European Union must struggle to move beyond temporary solutions and why political actors often oscillate between ambition and hesitation, mobilisation and fatigue.

The current debates on fiscal capacity, strategic autonomy, defence capacity, and the social dimension of the EU suggest that elements of acceptance are beginning to surface. Elements of acceptance can be noted in the European Commission's 2026 work programme. Even the title of the work programme is encouraging „Europe's independent moment".[24] Elements of acceptance are also evident in the speech delivered by Ursula von der Leyen, President of the European Commission to the EU ambassadors in March 2026. She stressed that „Europe must focus on the reality of the situation, to see the

---

[22] Pope Francis. *„Address to the European Parliament."* Speech presented at the European Parliament, Strasbourg, France, November 25, 2014.

[23] Tommaso Padoa-Schioppa. *The Europe of Melancholy* (lecture delivered by the author on October 28th, 2005, to inaugurate the Academic Year 2005-2006 of the Luigi Bocconi University in Milan.) published in *„Re:Thinking Europe. Thoughts on Europe: Past, Present and Future*, edited by Yvonne Albrecht and Mathieu Segers. (Amsterdam University Press B.V. 2016.)

[24] European Commission. Commission Work Programme and Annexes.COM (2025) 870. https://commission.europa.eu/publications/2026-commission-work-programme-and-annexes_en.

world as it actually is today", „whether our system is still able to deliver efficiently", „how Europe finds unity in these situations".[25]

Acceptance of the new reality implies a shift from reactive crisis management towards deliberate political choice: either to deepen integration through more explicit political mechanisms, or to acknowledge and manage differentiation in a transparent and democratically accountable manner. Acceptance functions as a threshold rather than a destination. Crossing it enables the European Union to move from mourning the loss of a familiar integration model to actively shaping a renewed political project grounded in realistic assumptions about power, solidarity, and collective responsibility.

4. Acceptance as a Political Choice: Prospects for Renewal

In his book „After Europe", Ivan Krastev comments on the application of the Kübler-Ross model to the refugee crisis by the Slovenian philosopher Slavoj Žižek. I support the opinion that Žižek's analysis lacks the phase of acceptance, which, according to Krastev, would mean an effective pan-European plan to deal with the problem.[26] It means that moving towards acceptance requires the European Union to confront a series of choices that have long been deferred or obscured through crisis management. To quote Sylvain Kahn „Europe must open its eyes"[27]

One such choice concerns the nature of sovereignty in a deeply interdependent environment. In 1985, Jacques Delors called the future European Union „an unidentified political object". The European integration scholars are used to calling the EU „sui generis". But should the European Union remain forever „an unidentified political object"? A number of highly respected analysts and the world's leading authorities on Europe quite openly plead for a political Europe. „Europe must be political," is Thierry de Montbrial's categorical statement.[28] „The European needs to take next big step... If they succeed, it will be indeed Europe's coming of age as a political entity," is no less categorical, says Loukas Tsoukalis.[29] The reluctance to articulate a shared understanding of sovereignty has contributed to institutional ambiguity and public confusion. Acceptance implies acknowledging that sovereignty in areas such as fiscal policy, social protection, security, and climate governance increasingly depends on European capacity rather than purely national control.

---

[25] Speech by President von der Leyen at the EU Ambassadors Conference 2026 Brussels, 9 March 2026 https://ec.europa.eu/commission/presscorner/detail/da/speech_26_576

[26] Иван Кръстев. След Европа За слабостта и силата на Европейския съюз, (изд. Обсидиан. 2017.)

[27] Sylvain Kahn. *Europe is allowing itself to be dominated by the US. It just isn't admitting as much. (*The Conversation France. 2025.)

[28] Thierry de Montbrial. *L'ère des affrontements. Les grands tournants géopolitiques.* (Dunod. 2025.) p.507

[29] Loukas Tsoukalis. *Europe's Coming of Age.* (London: Polity Press, 2024.) p.223

A second dimension of acceptance relates to the social foundations of European integration. The erosion of social convergence, widening inequalities between and within Member states creating feelings of injustice in society have weakened the Union's legitimacy. Without a credible social dimension, European integration risks being perceived as technocratic or coercive. Acceptance therefore requires a shared commitment to minimum social standards, risk-sharing mechanisms, and social investment. The social dimension functions as a litmus test for whether the Union is willing to move beyond market-correcting policies towards a more explicitly social and political project. To quote Thomas Piketty political and democratic outlets for social anger will have to be found.[30]

Acceptance also entails a rethinking of differentiation within the Union. The transformation of differentiated integration into „smart" integration implies clearly defined objectives.[31] While differentiated integration has often been treated as a pragmatic response to heterogeneity, it has rarely been framed as a long-term constitutional choice. A politics of acceptance would require the EU to clarify whether differentiation is a transitional mechanism towards deeper unity or a stable feature of the Union's future architecture. Transparency and democratic accountability are crucial in this regard, as unmanaged differentiation risks creating de facto hierarchies and a sense of second-class membership.

Acceptance reshapes the EU's external posture. Recognising the need for collective fiscal, industrial, and defence capacities is a consequence of internal acceptance that the EU's global role cannot be sustained through regulatory power alone. It means that acceptance marks a shift from reactive adaptation to strategic self-definition.

These dimensions suggest that acceptance is a moment of opening, a threshold of political possibility. Crossing it does not guarantee deeper integration or strategic coherence. Those outcomes remain contingent on political disputes and the ability to reach consensus. It enables the European Union to move from a mode of perpetual crisis management to one of conscious political design. Whether this transition leads to deeper integration, a more openly differentiated Union, or a hybrid model remains an open question. What is clear, however, is that without acceptance, the EU risks remaining trapped in a cycle of bargaining and fatigue, capable of survival, but increasingly constrained in its capacity to shape its own future.

What acceptance does guarantee is that the choices made are grounded in a realistic assessment of the Union's institutional capacities and political constraints. Several concrete indicators would signal that the EU has meaningfully crossed this threshold. At the fiscal level, the transformation of

---

[30] Thomas Piketty. *De l'inégalité en Europe* in *Une certaine idée de l'Europe.* (Flammarion. P.81-112. 2019.)

[31] Ingrid Shikova. *From Differentiated to „Smart" Integration.* EU IDEA Papers. (Istituto Affari Internazionali,. 2020.)

NextGenerationEU from a one-off emergency instrument into a permanent investment facility would acknowledge what has long been deferred that the Eurozone cannot function sustainably without a stable fiscal capacity. At the institutional level, a formal acknowledgment of differentiated integration, replacing the current ambiguity of opt-outs and enhanced cooperation with a transparent, democratically accountable framework would indicate acceptance that uniform integration is neither achievable nor necessarily desirable. At the social level, the adoption of minimum binding standards across the European Social Model in areas such as minimum income, housing access, and platform labour rights would signal acceptance that market integration without social floors is politically unsustainable. And at the geopolitical level, the development of a common EU seat in multilateral institutions, combined with a shared defence procurement framework, would indicate acceptance that regulatory power alone cannot sustain the Union's global role.

None of these developments is imminent. But the Multiannual financial framework (MFF 2028-2034) negotiations, the revision of the EU's defence industry architecture, and the enlargement process triggered by Ukraine's accession candidacy, collectively constitute a moment of unusual structural pressure, one in which the cost of continued ambiguity may, for the first time, exceed the cost of choice. Whether EU political actors will recognise and act upon this window remains the defining open question of the current period.

5. The Risks of an Unaccepted Future

Failure to move towards acceptance carries significant political and institutional risks for the European Union. As Thierry de Montbrial warns, the biggest risk is to implement the ostrich policy, or if you prefer, the „non-choice" policy.[32] Remaining suspended between bargaining and depression may allow the Union to survive in a narrow functional sense, but at the cost of long-term coherence, legitimacy, and strategic vision. An „unaccepted" future is not characterised by sudden collapse, but by gradual erosion.

One such risk is the normalisation of permanent exceptionalism. When crisis instruments become the default mode of governance without being institutionalised, policy-making increasingly relies on ad hoc solutions and legal ambiguity. This weakens predictability, undermines democratic accountability, and reinforces the perception of the EU as a technocratic crisis manager rather than a political community capable of deliberate choice.

Another risk concerns the deepening of internal fragmentation. The fragmentation affects prosperity and security in the EU. To ensure European sovereignty and European security in the 21st century, efforts must be directed towards a true single market, an integrated European financial market, an energy

[32] Thierry de Montbrial. *L'ère des affrontements. Les grands tournants géopolitiques.* (Dunod 2025.) p.476

union, and digital connectivity.[33] Without a shared acknowledgment of the limits of the existing integration model, differentiation risks becoming opaque. Member states may increasingly pursue their own solutions, further weakening collective capacity and solidarity. The absence of acceptance also exacerbates the Union's legitimacy deficit. Citizens confronted with repeated calls for solidarity in times of crisis, without a corresponding narrative of shared purpose and mutual obligations, may respond with disengagement or resistance.

An unaccepted future constrains the EU's external role. A Union that has not reconciled its internal ambitions with its institutional capacities is unlikely to act decisively in a geopolitical environment marked by power competition and systemic rivalry. Regulatory influence alone cannot compensate for the lack of fiscal, social, and security capabilities, leaving the EU reactive rather than strategically active.

6. Conclusion: From Grief to Political Maturity

By applying the Kübler-Ross model as an analytical framework, the paper has shown how denial, anger, bargaining, and depression are reflected in the Union's recent political dynamics and policy responses. These stages help explain the EU's oscillation between ambitious rhetoric and incremental, temporary solutions.

The analysis reframes acceptance as a political choice rather than an emotional endpoint. Acceptance involves recognising the limits of the current integration model and acknowledging that economic integration alone can no longer sustain the Union's social, political, and geopolitical aspirations. Far from implying resignation, acceptance creates the conditions for renewal by enabling strategic clarity and coherent institutional design.

Understanding the EU through the lens of the Kübler-Ross change model does not offer a deterministic prediction of decline or renewal. Rather, it clarifies the stakes of hesitation. In a context of permanent uncertainty, acceptance does not mark the end of a crisis. It can mark and stimulate the beginning of conscious political choice**.** The transition from the different stages of collective grief therefore marks not simply adaptation, but political maturation. What does political maturation mean with regard of the EU? It refers to the transition from an exclusively trade/economic integration into a cohesive, proactive geopolitical actor, capable of make independent common decisions, including in sensitive spheres like foreign policy, defence, and security. It compels the European Union to articulate a clearer understanding of shared sovereignty, to strengthen its social foundations, and to define more explicitly the relationship between unity and differentiation. Political maturity means to balance competing national interests toward a unified „European interest".

---

[33] Enrico Letta, and Pascal Lamy. *„Now more than ever, Europe must complete the Single Market*", (Project Syndicate. Institut Jaques Delors 2026.)

Whether this leads to federalisation, a transparently differentiated architecture, „smart" integration model, or a hybrid model remains contingent on political contestation. What is no longer sustainable, however, is prolonged ambiguity. The movement from collective grief to political maturity is not guaranteed, but it is necessary if the European Union is to remain not just a crisis manager or an „unidentified political object," but a consciously chosen political entity. The most appropriate end of this paper is Thierry de Montbrial's prophecy that the „failure of the European Union would be a real drama for all of humanity".[34]

References

1. Bátora, Josef, and Fossum, John Erik (eds.) *Towards a Segmented European Political Order: The European Union's Post-Crises Conundrum,* London: Routledge, 2020.
2. Bátora, Josef, and Fossum, John Erik (eds.) *Differentiation and Dominance in Europe's Poly-Crises,* Routledge, London and New York, 2024.
3. Bieler, Andreas, and Maccaronne, Valeria. *Critical political economy of the European polycrisis*. Northampton : Edward Elgar Publishing, 2025.
4. Cramme, Olaf and Hobolt, Sara B. eds. *Democratic Politics in a European Union under Stress*. Oxford: Oxford University Press, 2015
5. Dawson, Mark, and Floris de Witte, (2013), *Constitutional Balance in the EU after the Euro-Crisis*, The. Modern Law Review 76, no. 5 p. 817-44
6. Dawson, Mark &Floris de Witte. *EU Law and Governance*. Cambridge, 2022.
7. Erikson, Kai T. *Everything in Its Path: Destruction of Community in the Buffalo Creek Flood*. New York: Simon & Schuster. 1976.
8. Gabriel, Yiannis. *Organizations in Depth: The Psychoanalysis of Organizations*. London: Sage. 2012.
9. Habermas, Jürgen. *The Crisis of the European Union: A Response*. Cambridge: Polity Press, 2012.
10. Hooghe, Liesbet, and Gary Marks. *Grand Theories of European Integration in the Twenty-First Century*. Journal of European Public Policy 26(8) 1113-1133. 2019.
11. Jones, Erik, R. Daniel Kelemen, and Sophie Meunier. *Failing Forward? The Euro Crisis and the Incomplete Nature of European Integration*. Comparative Political Studies 49 (7): 1010-34. 2016.
12. Kahn, Sylvain. *Europe is allowing itself to be dominated by the US. It just isn't admitting as much*. The Conversation France, 2025.
13. Kübler-Ross, Elisabeth. *On Death and Dying*. London: Routledge, 1969.
14. Letta, Enrico, and Pascal Lamy. *Now more than ever, Europe must complete the Single Market*. Project Syndicate. Institut Jacques Delors, 2026.
15. Lodge, Martin, and Kai Wegrich. *The Problem-Solving Capacity of the Modern State*. Oxford University Press, 2014.
16. Mair, Peter. *Ruling the Void: The Hollowing of Western Democracy*. London: Verso. 2013.

[34] Thierry de Montbrial. *Pour combattre les pensées uniques*. (Flammarion, 2000.) p.206

17. Marris, Peter. *Loss and Change*, Revisited edition London: Routledge. 2015 [1974].
18. Morin, Edgar and Anne Brigitte. *Terre-Patrie*. Éditions du Seuil,1993.
19. Mastroianni Laura, Giliberto Capano, Stefania Profeti. *Unpacking the multidimensional relationship between crisis and policy change: a systematic review*. Oxford, Policy and Society, 45(1), 14-32. 2026
20. Montbrial, Thierry de. *L'ère des affrontements. Les grands tournants géopolitiques*. Dunod, 2025.
21. Montbrial, Thierry de. *Pour combattre les pensées uniques*. Flammarion, 2000.
22. Piketty, Thomas. *De l'inégalité en Europe* in *Une certaine idée de l'Europe*. Flammarion. P.81-112, 2019.
23. Padoa-Schioppa, Tommaso. *The Europe of Melancholy (lecture delivered by the author on October 28th, 2005, to inaugurate the Academic Year 2005-2006 of the Luigi Bocconi University in Milan.) published* in"*Re:Thinking Europe. Thoughts on Europe: Past, Present and Future*, edited by Yvonne Albrecht and Mathieu Segers. Amsterdam University Press B.V. 2016.
24. Shikova, Ingrid. *From Differentiated to „Smart" Integration*. EU IDEA Papers. (Istituto Affari Internazionali, 2020.
25. Schmidt, Vivien A. *Europe's Crisis of Legitimacy: Governing by Rules and Ruling by Numbers in the Eurozone*. Oxford: Oxford University Press, 2020.
26. Tooze, Adam. *Crashed: How a Decade of Financial Crises Changed the World*. London: Allen Lane, 2018.
27. Tsoukalis, Loukas. *Europe's Coming of Age*. London: Polity Press, 2024.
28. Zielonka, Jan. *Is the EU Doomed?* Cambridge: Polity Press, 2014.
29. Кръстев, Иван. *След Европа За слабостта и силата на Европейския съюз*. Обсидиан, 2017

FROM INTERDEPENDENCE TO RESILIENCE: THE EVOLUTION OF EUROPEAN STRATEGIC AUTONOMY

Assoc. prof. Monika Moraliyska
University of National and World Economy
ORCID: 0000-0002-6199-9458

Abstract

The concept of European strategic autonomy has transformed from a defence-centric focus to a multi-pronged paradigm that has guided the European Union's economic, industrial, energy, trade, and financial policy. This paper explores the political economy foundations of strategic autonomy in the context of increasing geoeconomic rivalry, supply chain shocks, and other systemic shocks. The study reframes autonomy not as economic isolation or protectionism, but rather as a resilience-driven recalibration of interdependence.

Using policy papers as well as new legislative initiatives, the analysis tracks how the EU has aimed to address structural vulnerabilities via industrial policy, energy diversification, stronger trade defence instruments, financial integration, and enhanced sanctions capability. The implication of strategic autonomy is that liberal interdependence, which was originally guided by the market, is shifting to managed interdependence that retains openness but is strategically conditioned.

This agenda is structurally constrained by competing Member State interests, incomplete fiscal and financial integration, and competition-led pressures in a fragmented global economy. It concludes that European strategic autonomy is to be interpreted most appropriately not as an autonomy regained; rather it is a new governance model that balances resilience, integration, and global engagement.

Key words: Strategic autonomy; Political economy of the European Union; Economic resilience; Geoeconomic fragmentation; Managed interdependence

1. Introduction

Strategic autonomy has developed as one of the most significant concepts over the last 10 years that shape the future course of the European Union (EU). Though initially linked to defence and security policy, it has developed into the broad and important agenda of industrial policy, energy security, trade gover-

nance, technological sovereignty, and financial resilience. This conversion has been driven by a series of crises - the global financial crisis, COVID-19 pandemic, supply chain disruption, US-China strategic competition, and geopolitical consequences from the Russian invasion of Ukraine[1].

These developments have made the assumptions supporting the liberal model of globalization that was dominant in the post-Cold War era increasingly tenuous. During the years after World War II, mutual economic interdependence has been framed as a basis for both prosperity, efficiency, and stability. Recent geopolitical tensions have revealed that this interdependence also leads to strategic vulnerabilities as some crucial industries have turned to rely on a narrow number of external suppliers[2]. As a result, economic networks are perceived today not only as channels of cooperation but also as potential instruments of political pressure and economic coercion.

In this new context the EU has been attempting to redefine its role through the idea of „open strategic autonomy". The objective is not to reduce openness or withdraw from globalization, but instead to strengthen Europe's ability to manage with external shocks, diversify dependencies, and shield strategically sensitive industries. Strategic autonomy is a contestation between economic openness and resilience, security, and competitiveness[3].

This paper argues that European strategic autonomy should be understood as a shift from liberal interdependence toward managed interdependence. Rather than pursuing self-sufficiency and economic nationalism, the EU aims to recalibrate globalization by reducing vulnerabilities while preserving the benefits of international economic integration. Through an analysis of security, industry, energy, trade, and finance policies, the paper discusses how strategic autonomy has become a central governance strategy for navigating an increasingly fragmented international order.

2. Conceptual and Theoretical Framework

The concept of strategic autonomy has become one of the most influential yet contested notions in contemporary European policymaking. Although it is commonly addressed in official documents and political conversation within the EU, it is not given a solid definition. Strategic autonomy has evolved from

---

1 European Commission, *Updating the 2020 New Industrial Strategy: Building a Stronger Single Market for Europe's Recovery*, COM(2021) 350 final (Brussels: European Commission, May 5, 2021), https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021DC0350.

2 Henry Farrell and Abraham L. Newman, „Weaponized Interdependence: How Global Economic Networks Shape State Coercion," *International Security* 44, no. 1 (2019): 42-79, https://doi.org/10.1162/isec_a_00351.

3 European Commission, *Trade Policy Review: An Open, Sustainable and Assertive Trade Policy*, COM(2021) 66 final (Brussels: European Commission, February 18, 2021), https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021DC0066.

a strategic security objective to a broader governance framework that includes economic safety and security, industrial competitiveness, technological sovereignty, energy security, trade governance, and financial autonomy. The relevance of this phenomenon is important in analysing how the role of the EU has changed in an increasingly fragmented international system.

2.1. Evolution of the Concept

The origins of strategic autonomy originate from discussions about European defence capabilities after the end of the Cold War. The 1990s conflicts in the Balkans revealed Europe's dependence on NATO, and particularly on the military power of the US. Increasing doubt about the future sustainability of US security commitments also fuelled calls for greater European strategic autonomy [4, 5]. Therefore, strategic autonomy initially appeared from a strategy-driven perspective related to the formulation of the Common Security and Defence Policy (CSDP).

For most of the 21st century, the concept was limited mostly to security and defence topics. A series of interlocking crises exposed deeper weaknesses in the underlying structure of the European economies and politics. Both the structural weaknesses of the Economic and Monetary Union which had been exposed by the global financial crisis of 2008 and the challenges posed by the migration crisis and Brexit called into question the durability and coherence of the European integration project.

That COVID-19 pandemic is largely responsible for translating strategic autonomy into a macro-level policy framework. The pandemic exposed the fragility of global supply chains and showed Europe's reliance on external suppliers at essential components in pharmaceuticals, semiconductors, medical equipment and raw materials[6]. At the same time, greater strategic competition between the United States and China revealed increased geopolitical importance of technology, industrial capacity and economic networks. The energy crisis prompted by Russia's invasion of Ukraine compounded fears of dependency, further entrenching the need for foreign partners. The European Commission embraced the idea of „open strategic autonomy." This formulation aimed to balance the EU's dedication to (a) openness, (b) multilateralism, and (c) international trade with the requirement to strengthen resilience and limit essential dependencies[7]. The term „open" was particularly significant as it indicated for the first time that strategic autonomy should not be interpreted

---

[4] Niklas Helwig, *EU Strategic Autonomy: A Reality Check for Europe's Global Agenda*, FIIA Working Paper 119 (Helsinki: Finnish Institute of International Affairs, 2020).

[5] Nathalie Tocci, *European Strategic Autonomy: What It Is, Why We Need It, How to Achieve It*, IAI Papers 21/35 (Rome: Istituto Affari Internazionali, 2021).

[6] European Commission, *Updating the 2020 New Industrial Strategy: Building a Stronger Single Market for Europe's Recovery*.

[7] European Commission, *Trade Policy Review: An Open, Sustainable and Assertive Trade Policy*.

as economic nationalism or protectionism but reflects an effort to adapt globalization to the evolving geopolitical circumstances.

Today, strategic autonomy goes way beyond defence policy. It encompasses industrial policy (not just military), technological sovereignty, energy security, trade policy, protection of critical infrastructure and financial governance. This concept has thus evolved from a relatively short-term security objective to a multidimensional strategy aimed at boosting Europe's capacity to function efficiently in an increasingly uncertain and competitive world.

2.2. Theoretical Interpretations of Strategic Autonomy

Strategic autonomy, despite its growing policy importance, is theoretically challenged. In the academic literature, there are generally three interpretations - the sovereignty-based, the resilience-based and the geoeconomic approach.

The sovereignty perspective interprets strategic autonomy as an attempt to reduce reliance on other countries in order to enable Europe to better pursue its political and economic goals on its own. In this view, strategic autonomy is closely tied to notions of sovereignty, self-reliance, and strategic capacity[8, 9]. As Steinbach argues, the EU's shift towards strategic autonomy does not signify a retreat from globalization or openness[10]. Instead, it is an effort to generate more policy space in which to respond to strategic vulnerabilities in a volatile environment: the trade-off between openness and sovereignty, economic effectiveness and resilience, and multilateral cooperation and geopolitical competition.

A second and increasingly powerful approach is that of resilience. Instead of self-sufficiency, this view examines the management of vulnerabilities and the ability to absorb external shocks[11]. Resilience-based approaches acknowledge that contemporary interdependence is an unavoidable feature of globalization. The idea is not to eliminate interdependence but to provide for an interdependence that can be diversified, manageable and less exposed to political manipulation. The interpretation has had a profound impact on EU policy documents and open strategic autonomy.

Recent research also demonstrates that strategic autonomy has evolved into an influential policy paradigm extending well beyond defence policy and

---

[8] Helwig, *EU Strategic Autonomy*.

[9] Tocci, *European Strategic Autonomy*.

[10] Armin Steinbach, „The EU's Turn to Strategic Autonomy: Leeway for Policy Action and Tensions Between Openness and Sovereignty," *European Journal of International Law* 34, no. 4 (2023): 973-1006.

[11] Ana E. Juncos, „Resilience as the New EU Foreign Policy Paradigm: A Pragmatist Turn?" *European Security* 26, no. 1 (2017): 1-18, https://doi.org/10.1080/09662839.2016.1247809.

increasingly shaping the European Union's external economic governance through the diffusion of new policy ideas promoted by the European Commission[12].

The third approach is from the literature on geoeconomics and economic statecraft. According to it, economic instruments are used more as instruments of geopolitical rivalry and power projection[13]. Trade restrictions, industrial subsidies, sanctions, technological standards and financial structures are not only seen as economic mechanisms in their own right, but rather, as strategic assets shaping international power relations. Strategic autonomy therefore stands for the EU's efforts to consolidate its global economic position as a consequence of increased geopolitical competition and economic fragmentation. While these three approaches would seem to be intellectually separate, they do not conflict. Contemporary European strategic autonomy incorporates sovereignty, resilience, and geoeconomic competition. Recent scholarship further argues that open strategic autonomy should not be understood as a departure from openness but rather as a new industrial policy paradigm that seeks to reconcile competitiveness, economic security and strategic resilience within an increasingly fragmented global economy[14].

2.3. Strategic Autonomy as Managed Interdependence

This paper takes a political economy approach by defining strategic autonomy as a form of managed interdependence. Such an interpretation is unlike classical sovereignty conceptions as well as more radical visions of economic decoupling. It recognizes that full autonomy is neither a viable nor desirable option in an ever-interconnected global economy.

The traditional liberal conception of globalization assumed that growing interdependence would lead to mutual benefit, foster cooperation and lower geostrategic tensions. Yet there has been recent evidence that this interdependence can also produce asymmetric vulnerabilities – vulnerabilities that can be opportunistically leveraged by states and other actors[15]. As a result, governments increasingly seek to balance efficiency with resilience and openness with strategic control.

Within this context, European strategic autonomy represents an attempt to restructure rather than abandon interdependence. Its goal is not autarky but selective diversification, strategic investment, technological upgrading, and

---

[12] Ana E. Juncos and Sophie Vanhoonacker, „The Ideational Power of Strategic Autonomy in EU Security and External Economic Policies", *Journal of Common Market Studies* 62, no. 4 (2024): 955-972, https://doi.org/10.1111/jcms.13597.

[13] Robert D. Blackwill and Jennifer M. Harris, *War by Other Means: Geoeconomics and Statecraft* (Cambridge, MA: Harvard University Press, 2016).

[14] Sergio Mariotti, „Open Strategic Autonomy as an Industrial Policy Compass for the EU Competitiveness and Growth: The Good, the Bad, or the Ugly?" *Journal of Industrial and Business Economics* 52 (2025): 1-26, https://doi.org/10.1007/s40812-024-00327-y.

[15] Farrell and Newman, „Weaponized Interdependence," 42-79.

bolstering the resilience of key sectors. Strategic autonomy therefore reflects a broader transformation in the governance of globalization itself. It signals a move away from purely efficiency-based economic integration models in favour of ones which allow resilience, security and strategic capacity to play an increasing role.

Consequently, European strategic autonomy can be understood as a resilience-oriented strategy of managed interdependence aimed at reducing critical vulnerabilities while preserving openness, competitiveness, and engagement within the global economy.

3. Strategic Autonomy in Security and the Economy

The practical implementation of European strategic autonomy extends across multiple policy domains that have become increasingly interconnected under conditions of geopolitical fragmentation and geoeconomic competition. Collectively, those dimensions (defence and security, industrial policy, energy governance and trade regulation) serve as an illustration of how the EU is seeking to improve resilience and strategic capability while adhering to its commitment to openness and international cooperation.

3.1 Security and Defence

For a certain period, the European security depended heavily on NATO and the military power of the US. Although this arrangement contributed significantly to stability on the continent, it also exposed structural dependencies that became increasingly visible following Brexit, changes in US foreign policy priorities, and the deterioration of Europe's security environment.

To counter these threats, the EU initiated various actions to strengthen its defence capabilities. Permanent Structured Cooperation (PESCO), launched in 2017, aimed to improve defence cooperation within Member States on military mobility, cyber protection and capability development. The European Defence Fund (EDF) was established to promote joint research projects and projects of innovation and development, and to build up Europe's defence industrial base. The European Union's adoption of Strategic Compass in 2022 also meant that it has ambitions for a more coherent security and defence strategy[16].

The invasion of Ukraine by Russia dramatically accelerated these initiatives. The war also revealed that military power was still an important part of all of the continent and added weight to longstanding fears about Europe's strategic weaknesses. At the same time, it revealed the limitations of European defence autonomy, because NATO and the United States were indispensable providers of military support and intelligence, plus deterrence capabilities. Hence, strategic

[16] European Council, *A Strategic Compass for Security and Defence* (Brussels: Council of the European Union, 2022), https://www.consilium.europa.eu/en/policies/strategic-compass/.

autonomy in defence now is viewed not as a trade-off between NATO, but as complementary effort to strengthen Europe's capacity to act within the transatlantic alliance.

3.2 Industrial and Technological Autonomy

Industrial and technological autonomy have become central pillars of the European strategic autonomy agenda. The European Union depends, throughout its history, for a major part of its competitive advantage on open markets and global value chains, which are relatively free from restrictions; however, emerging crises have demonstrated the weaknesses related to the dependence on foreign manufacturers for vital goods, technologies, production technologies and raw materials. The coronavirus pandemic, lack of semiconductor supply and geopolitical tension between the United States and China exposed the risks of highly concentrated supply chains and spurred demands for a more resilient industrial strategy.

In response, the EU has adopted a series of initiatives aimed at strengthening industrial resilience and technological sovereignty. The European Chips Act is an ambitious effort to reduce reliance on foreign semiconductor production – with the intention to bolster research, innovation and manufacturing capacity in Europe. Considering semiconductor's importance in digital services, artificial intelligence, telecommunications and defence systems, production of semiconductors has increasingly been considered to be linked to economic security[17].

Similarly, the Net-Zero Industry Act aims to reinforce Europe's manufacturing capabilities in clean technologies like batteries, solar panels, hydrogen systems, and carbon capture technologies[18]. The effort is part of a wider shift - recognition that the green transition is not just an environmental one, but an industrial and geopolitical one. The international race for dominance of green technologies has made rivalry among the world's major powers, especially the United States, China and the European Union, fiercer. Consequently, industrial policy has become an important instrument for preserving competitiveness and preventing industrial relocation.

A further key part of the industrial autonomy agenda is the Critical Raw Materials Act, an act to decrease Europeans' reliance on a few sources of raw strategic minerals in order to power digital technologies and renewable energy systems[19]. The monopolization of rare earths, lithium, cobalt and other such crucial materials supply chains has been a source of concern with respect to strategic exposure and supply security. The EU thus aims to reduce its reliance on imported raw materials, provide options for diversifying its suppliers, build up recycling capabilities and support local extraction where possible.

---

[17] European Commission, *A Chips Act for Europe*, COM(2022) 45 final (Brussels: European Commission, 2022).

[18] European Commission, *Net-Zero Industry Act* (Brussels: European Commission, 2023).

[19] European Commission, *Critical Raw Materials Act* (Brussels: European Commission, 2023).

These changes prove a wider shift in the European economic governance. Industrial policy is now perceived not just as an instrument of economic power, but also as an element through which political risk and resilience may be addressed and shaped. This reflects the broader revival of industrial policy observed across advanced economies, where governments play a more active role in shaping innovation, technological development, and strategic sectors[20, 21].

The new emphasis on clean technologies and strategic manufacturing capacity also reflects EU efforts to combine climate objectives with industrial competitiveness within an increasingly fierce competition in the global economy. In this regard, green industrial policy has become a core instrument for supporting the twin green and digital transitions, while strengthening Europe's strategic position in key value chains[22].

3.3 Energy Autonomy

It is energy autonomy that has been introduced as an essential element in European strategic autonomy after Russia's invasion and subsequent disruptions in Ukraine. The EU has been heavily dependent on Russian fossil fuels for decades, especially natural gas, which left the European energy system exposed to serious instability. The post-war energy crisis showed the new way in which economic interdependence can be transformed into a source of geopolitical leverage.

In response, the European Union enacted the REPowerEU strategy, which is designed to reduce dependence on Russian energy sources diversification of suppliers, accelerated deployment of renewable energy sources, investments in energy infrastructure, and improvements in energy efficiency[23]. The initiative signals a transformation that is at the heart of European energy governance. While in the past energy policy was shaped largely by concerns regarding market integration and environmental sustainability, security and resilience have now become equally important objectives. The diversification of energy imports has been a key component in limiting Europe's vulnerability to Russian energy resources. With growing imports of liquefied natural gas (LNG) from the United States, Norway and Qatar and investment in new terminals and interconnections, the flexibility of the European energy system has been enhanced. However, diversification does not remove dependence entirely. Instead, it spreads dependencies across a broader range of suppliers to reduce concentration risks[24].

---

[20] Dani Rodrik, „Industrial Policy for the Twenty-First Century", Harvard University Working Paper (2004): 1-57.

[21] Mariana Mazzucato, *Mission Economy: A Moonshot Guide to Changing Capitalism* (London: Allen Lane, 2021).

[22] Simone Tagliapietra and Reinhilde Veugelers, *A Green Industrial Policy for Europe*, Bruegel Blueprint Series No. 31 (Brussels: Bruegel, 2020).

[23] European Commission, *REPowerEU Plan* (Brussels: European Commission, 2022).

[24] International Energy Agency, *A 10-Point Plan to Reduce the European Union's Reliance on Russian Natural Gas* (Paris: IEA, 2022).

Energy autonomy also requires speeding up the green transition. Renewable energies like wind, solar and hydrogen are increasingly considered not only as climate solutions, but also tools for strategic resilience. By reducing reliance on foreign-fossil fuel imports, renewable energy can contribute to greater energy sovereignty and long-term security. On the other hand, the green transition generates dependence on important raw materials and clean technology supply chains.

Energy autonomy illustrates the complexity of managing interdependence in a globalized economy. Rather than pursuing complete energy independence, the EU seeks to create a more resilient energy system capable of withstanding external shocks while supporting broader objectives related to competitiveness, sustainability, and geopolitical stability.

3.4 Trade and Geoeconomic Governance

Trade policy has become an increasingly important instrument of strategic autonomy as economic relations are progressively shaped by geopolitical competition and security concerns. Historically, the European Union positioned itself as one of the strongest advocates of free trade, multilateralism, and rules-based economic governance. Nevertheless, the use of economic interdependence as a weapon has led to a reconsideration of the connection between openness and security[25]. Geoeconomics offers a useful lens to make sense of this transformation. Geoeconomics is defined as the use of economic tools (trade policy, investment controls, sanctions, and technological regulations) to realize strategic and geopolitical objectives. Within this context, the EU increasingly recognizes that economic networks may function not only as channels of cooperation but also as instruments of coercion and influence. A central instance of this change is reflected in the Anti-Coercion Instrument, developed in response to third nations' economic pressure[26]. The tool acknowledges concerns about trade restrictions and economic sanctions as geopolitical weapons. Through this response, the EU aims to protect its member states and companies from foreign coercion. The EU also strengthened its foreign direct investment screening system to protect critical infrastructure, new technologies and significant industries.

Recent studies interpret the Anti-Coercion Instrument as evidence of the European Union's broader geoeconomic turn, whereby trade policy increasingly serves foreign policy and economic security objectives rather than purely commercial ones[27].

Another important measure is the Carbon Border Adjustment Mechanism (CBAM) to avoid carbon leakage by imposing a carbon-related cost upon

---

[25] Farrell and Newman, „Weaponized Interdependence," 42-79.

[26] European Commission, *Anti-Coercion Instrument* (Brussels: European Commission, 2023).

[27] Sergio Mariotti, „Open Strategic Autonomy as an Industrial Policy Compass for the EU Competitiveness and Growth: The Good, the Bad, or the Ugly?," *Journal of Industrial and Business Economics* 52 (2025): 1-26.

certain imports[28]. The CBAM is mainly a climate policy instrument, but it also has geoeconomic implications. It extends the EU's regulatory influence beyond its borders and demonstrates how environmental standards can function as instruments of strategic economic governance[29].

These developments illustrate the increasing intersection of trade policy and geopolitical strategy. The EU does not abandon the concept of open markets, but is complementing it with instruments to protect resilience, competitiveness, and economic security[30].

4. Financial and Monetary Autonomy

Financial and monetary autonomy is one of the most strategically critical, but least developed, aspects of European strategic autonomy. For Europe this means having more strategic and monetary autonomy. Although the European Union has one of the largest economies in the world and the euro is the second most widely used international currency, the EU continues to face significant limitations in translating its economic weight into equivalent financial and geopolitical influence. The intensification of international trade politics, the spread of sanctions, and the rise of digital financial tools have only consolidated the importance of Europe financial resilience.

One of the main aims of European financial autonomy is the strengthening of the international role of the euro. Despite its importance in global finance, the euro remains significantly less influential than the US dollar in international trade, reserve management, and cross-border payments[31]. This asymmetry became especially evident after the reimposition of US sanctions on Iran in 2018 in countries where economic ties were politically supported by the EU, as most European companies stopped trading in Iran. This depicted the limits of Europe's economic interests that could stem from external finance and the dollar-led trade.

In response to these weaknesses, the EU has intensified efforts toward deeper financial integration under the Banking Union and the Capital Markets Union (CMU). Such reforms aim to improve financial stability and access to investment funds and to reduce banking market segmentation[32]. More effective

---

[28] European Commission, *Carbon Border Adjustment Mechanism (CBAM)* (Brussels: European Commission, 2023).

[29] Anu Bradford, *The Brussels Effect: How the European Union Rules the World* (Oxford: Oxford University Press, 2020).

[30] Sophie Meunier and Kalypso Nicolandis, „The Geopoliticization of European Trade and Investment Policy," *Journal of Common Market Studies* 57, suppl. 1 (2019): 103-113, https://doi.org/10.1111/jcms.12932.

[31] Barry Eichengreen, *Exorbitant Privilege: The Rise and Fall of the Dollar and the Future of the International Monetary System* (Oxford: Oxford University Press, 2011).

[32] European Commission, *Capital Markets Union Action Plan: A Capital Markets Union for People and Businesses - New Action Plan* (Brussels: European Commission, 2020).

financial integration would not only boost financial growth but also help Europe's ability to absorb shocks from abroad, and fund European priorities, such as digitalisation, defence, and the green transition.

Another important development concerns the proposed digital euro. As payment systems become increasingly digitalized, European policymakers have emphasized the need to preserve monetary sovereignty and reduce dependence on foreign payment providers. The digital euro could strengthen the role of European financial infrastructure while improving the efficiency of cross-border transactions and supporting the international role of the euro[33].

However, serious challenges are present. The Economic and Monetary Union continues to suffer from incomplete fiscal integration, as well as fragmented capital markets and an absence of a single fiscal central authority. The European financial autonomy remains limited by institutional constraints, which weaken EU's ability to project financial power comparable to that of the United States. And, despite progress, financial and monetary autonomy remains an incomplete element of the strategic autonomy agenda.

5. Structural Constraints and Internal Contradictions

Although strategic autonomy is developing as a core area of interest in European policymaking, it faces significant structural limitations and internal inconsistencies.

The first significant tension is between autonomy and openness. The EU is still one of the world's most open economies and benefits enormously from international trade, investment opportunities, and global value chains. But strategic autonomy needs to decrease dependencies and safeguard vital industries. Policies attempting to balance both aims continue to complicate this balance, as regulations to bolster resilience may both reduce openness and increase perceptions of protectionism.

The second challenge is the relationship between resilience and competitiveness. Strategies such as supply chain diversification, stockpiling, incentives around domestic production, and industrial subsidies can increase resilience but often involve higher economic costs. Thus, the challenge for the EU is to strengthen security as a strategy without becoming less competitive in the world. This tension mirrors a larger move away from efficiency-based globalization towards governance that emphasizes resilience.

A third limitation deals with the diversity of interests among Member States. Different historical narratives, economic structures, and geopolitical concerns produce differing interpretations of strategic autonomy. While some Member States may argue for more ambitious initiatives towards European sovereignty,

---

[33] European Central Bank, *Progress on the Investigation Phase of a Digital Euro* (Frankfurt am Main: European Central Bank, 2023).

others remain concerned about maintaining transatlantic ties and fear excessive interventionism.

Strategic autonomy is, finally, limited by incomplete European integration. The lack of a fiscal union, fragmented defence capacity, and the continued reliance upon unanimity in numerous areas of foreign policy limit the EU's ability to act rapidly and cohesively. As a result, Europe's ambitions in the field of strategy often exceed its institutional capability.

6. Conclusion

The evolution of European strategic autonomy reflects a profound transformation in European integration and in the global political economy. What was initially conceived as a defence-oriented notion has since spread to include an ambitious governance package in security strategy, industrial policy, energy resilience, trade governance, and financial independence. This transformation took place after a succession of crises that exposed the weaknesses of the interconnected global systems.

The analysis presented in this paper suggests that strategic autonomy should not be interpreted as a return to economic nationalism or a rejection of globalization. Instead, it is an attempt to accommodate globalization in an increasingly polarized and competitive geopolitical landscape. The EU's objective is not to eliminate interdependence but to manage it more effectively by reducing excessive dependencies, improving resilience, and strengthening strategic flexibility.

The concept of open strategic autonomy reflects a broader transition from liberal interdependence toward managed interdependence. Recent academic debate similarly suggests that open strategic autonomy should be interpreted as an adaptive governance model that seeks to preserve openness while strengthening Europe's capacity to respond to geopolitical fragmentation and growing economic security challenges[34]. Economic openness remains a key element of this new model, but it comes increasingly within the context of security, resilience, and geopolitical competition. The growing integration of industrial policy, energy security, trade governance, and financial resilience illustrates the extent to which economic and geopolitical objectives have become intertwined.

At the same time, the implementation of strategic autonomy is limited by internal divisions, institutional limits, and persistence of external dependencies. The EU has to find the balance between openness and resilience, competition and security, and national interest and collective action. Successful performance of this balancing act will be of paramount importance for Europe in its pursuit of competitiveness and strategic relevance in a world that is increasingly uncertain.

---

[34] Mariotti, „Open Strategic Autonomy," 1-26; Juncos and Vanhoonacker, „The Ideational Power of Strategic Autonomy," 955-972.

European strategic autonomy represents neither complete sovereignty nor economic decoupling. It is an ever-evolving form of governance in which the EU seeks to manage the crises of a fragmented world and retain the benefits of international cooperation and economic integration. The future success of strategic autonomy will depend on whether the EU can transform resilience from a crisis-response mechanism into a permanent feature of economic governance.

References

1. Blackwill, Robert D., and Jennifer M. Harris. 2016. *War by Other Means: Geoeconomics and Statecraft*. Cambridge, MA: Harvard University Press.
2. Bradford, Anu. 2020. *The Brussels Effect: How the European Union Rules the World*. Oxford: Oxford University Press.
3. Eichengreen, Barry. 2011. *Exorbitant Privilege: The Rise and Fall of the Dollar and the Future of the International Monetary System*. Oxford: Oxford University Press.
4. European Central Bank. 2023. *Progress on the Investigation Phase of a Digital Euro*. Frankfurt am Main: European Central Bank. Accessed June 11, 2026. https://www.ecb.europa.eu.
5. European Commission. 2020. *Capital Markets Union Action Plan: A Capital Markets Union for People and Businesses - New Action Plan*. Brussels: European Commission. https://eur-lex.europa.eu.
6. European Commission. 2021a. *Updating the 2020 New Industrial Strategy: Building a Stronger Single Market for Europe's Recovery*. COM(2021) 350 final. Brussels: European Commission. Accessed June 11, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021DC0350.
7. European Commission. 2021b. *Trade Policy Review: An Open, Sustainable and Assertive Trade Policy*. COM(2021) 66 final. Brussels: European Commission. Accessed June 11, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021DC0066.
8. European Commission. 2022a. *A Chips Act for Europe*. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. COM(2022) 45 final. Brussels: European Commission. Accessed June 11, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52022DC0045.
9. European Commission. 2022b. *REPowerEU Plan*. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. COM(2022) 230 final. Brussels: European Commission. Accessed June 11, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52022DC0230.
10. European Commission. 2023a. *Net-Zero Industry Act*. Proposal for a Regulation of the European Parliament and of the Council on establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem. COM(2023) 161 final. Brussels: European Commission. Accessed June 11, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52023PC0161.
11. European Commission. 2023b. *Anti-Coercion Instrument*. Regulation (EU) 2023/2675 of the European Parliament and of the Council on the protection of the Union and its Member States from economic coercion by third countries. Brussels: European Union. Accessed June 11, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023R2675.

12. European Commission. 2023c. *Critical Raw Materials Act*. Proposal for a Regulation establishing a framework for ensuring a secure and sustainable supply of critical raw materials. COM(2023) 160 final. Brussels: European Commission. Accessed June 11, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52023PC0160.
13. European Commission. 2023d. *Carbon Border Adjustment Mechanism (CBAM)*. Regulation (EU) 2023/956 of the European Parliament and of the Council establishing a Carbon Border Adjustment Mechanism. Brussels: European Union. Accessed June 11, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023R0956.
14. European Council. 2022. *A Strategic Compass for Security and Defence*. Brussels: Council of the European Union. Accessed June 5, 2026. https://www.consilium.europa.eu/en/policies/strategic-compass/.
15. Farrell, Henry, and Abraham L. Newman. 2019. „Weaponized Interdependence: How Global Economic Networks Shape State Coercion." *International Security* 44, no. 1: 42-79. https://doi.org/10.1162/isec_a_00351.
16. Helwig, Niklas. 2020. *EU Strategic Autonomy: A Reality Check for Europe's Global Agenda*. FIIA Working Paper No. 119. Helsinki: Finnish Institute of International Affairs. Accessed June 11, 2026. https://www.fiia.fi/wp-content/uploads/2020/10/wp119_strategic_autonomy-2.pdf.
17. International Energy Agency. 2022. *A 10-Point Plan to Reduce the European Union's Reliance on Russian Natural Gas*. Paris: International Energy Agency. https://www.iea.org/reports/a-10-point-plan-to-reduce-the-european-unions-reliance-on-russian-natural-gas.
18. Juncos, Ana E. 2017. „Resilience as the New EU Foreign Policy Paradigm: A Pragmatist Turn?" *European Security* 26, no. 1: 1-18. https://doi.org/10.1080/09662839.2016.1247809.
19. Juncos, Ana E., and Sophie Vanhoonacker. 2024. „The Ideational Power of Strategic Autonomy in EU Security and External Economic Policies". *Journal of Common Market Studies* 62, no. 4: 955-972. https://doi.org/10.1111/jcms.13597.
20. Mariotti, Sergio. 2025. „Open Strategic Autonomy as an Industrial Policy Compass for the EU Competitiveness and Growth: The Good, the Bad, or the Ugly?" *Journal of Industrial and Business Economics* 52: 1-26. https://doi.org/10.1007/s40812-024-00327-y
21. Mazzucato, Mariana. 2021. *Mission Economy: A Moonshot Guide to Changing Capitalism*. London: Allen Lane.
22. Meunier, Sophie, and Kalypso Nicolandis. 2019. „The Geopoliticization of European Trade and Investment Policy." *Journal of Common Market Studies* 57, suppl. 1: 103-113. https://doi.org/10.1111/jcms.12932.
23. Rodrik, Dani. 2004. „Industrial Policy for the Twenty-First Century." *Harvard University Working Paper*, 1-57.
24. Steinbach, Armin. 2023. „The EU's Turn to Strategic Autonomy: Leeway for Policy Action and Tensions Between Openness and Sovereignty". *European Journal of International Law* 34, no. 4: 973-1006.
25. Tagliapietra, Simone, and Reinhilde Veugelers. 2020. *A Green Industrial Policy for Europe*. Bruegel Blueprint Series No. 31. Brussels: Bruegel. Accessed June 11, 2026. https://www.bruegel.org/blueprint/green-industrial-policy-europe.
26. Tocci, Nathalie. 2021. *European Strategic Autonomy: What It Is, Why We Need It, How to Achieve It*. IAI Papers No. 21/35. Rome: Istituto Affari Internazionali. Accessed June 11, 2026. https://www.iai.it/sites/default/files/9788893681780.pdf.

2. PANEL

RISKS AND PROSPECTS FOR EUROPE –

EU Economic Governance and Strategic Resilience

THE DIGITAL EURO AS A STRATEGIC RESPONSE TO GLOBAL AND EU CHALLENGES

Prof. Kaloyan Simeonov
ORCID: 0009-0001-5660-9267

Ralitsa Stoycheva, PhD Student[1]
European Studies Department, Faculty of Philosophy,
Sofia University „St. Kliment Ohridski"

Abstract

The introduction of the digital euro was described by many as a technical modernisation of the monetary system in the European Union (EU). The purpose of this paper is to argue that the digital euro should be instead observed also as a strategic response to current global and EU challenges that pose a threat to the strategic autonomy, monetary sovereignty, and financial stability. The analysis will observe how the digital euro will address pressures arising from crypto-currencies, stablecoins and other different private payment solutions and options. These pressures increase also because of the declining cash usage. The digital euro shall respond to various challenges and shall counteract many digital, financial and technical risks. It will not be an easy task, but it is a task that is worth tackling successfully.

Key words: Digital euro, digital finances, strategic autonomy, monetary policy, financial stability

1. Introduction

The digital transformation affects every aspect of the social, economic, financial and political environment. It also influences the monetary policy as well as the payment methods. The global COVID-19 pandemic enhanced and streamlined these processes that were already under way by that time.

The payment digitalisation has changed the way we conduct our everyday transactions and the interaction with banks and other financial institutions.

---

[1] This is a joined paper from Prof. Kaloyan Simeonov and Ralitsa Stoycheva, Phd Student, including the introductory and concluding sections. Assoc. Prof. Kaloyan Simeonov focused its research on sections 2 and 3, and Ralitsa Stoycheva on section 4. The opinions expressed in this paper are personal opinions of the authors and they do not engage the institutions in which the authors currently work.

The significant decline of cash transactions is also reshaping the payment landscape. The introduction of new payment, banking and investment instruments – such as cryptocurrencies, stablecoins, commercial bank money tokens, among others – also has several implications for the business and payment environment. In this context, this dynamic and digitalised environment lays the ground for introduction of a digital euro.

As defined by the European Central Bank (ECB), the digital euro is a digital equivalent to cash, issued by the central bank and available to everyone in the Euro area. A specific feature is that it will be a legal tender just like the physical euro banknotes and coins. The digital euro is an electronic mean of payment that shall be available for anyone to use. Key to its design is that it will be free of charge for consumers, mirroring the use of physical cash.[2] However, the payment industry will need to make significant investments in order for the digital euro project to be properly implemented. Therefore, suitable compensation models for the industry are also being discussed by the EU institutions.

In its essence, the digital euro is a form of Central Bank Digital Currency (CBDC). The CBDC is a new form of money that exists only in digital form and instead of printing paper money or coins, the central bank issues widely accessible digital coins.[3] It is an official currency that aims to respond to the challenges of digital financing and crypto markets. According to the Central Bank Digital Currency Tracker, an online website that monitors the CBDC projects, currently there are 137 currency or currency unions that have planned or are in the process of establishing CBDC. Among them there are 49 CBDC projects that are in a pilot phase, 20 projects under development, 36 in a research phase, 21 are inactive and 6 are in another phase of development. Two projects have been cancelled (Ecuador and Senegal), while three have officially launched (The Bahamas, Jamaica and Nigeria).[4] According to the tracker, the digital euro is considered to be still in the pilot phase.

This pilot phase is expected to end soon and in couple of years, most probably by 2029, the digital euro shall be operational. The need for such technology is becoming increasingly relevant as it addresses several global and EU challenges. This analysis aims to outline these challenges and to describe the strategic importance of the digital euro compared to other payment solutions.

This paper is structured as follows. The next section briefly explains the process of establishing a digital euro in the EU. The subsequent section

---

[2] European Central Bank (2026), Progress on the digital euro, available at the following address: https://www.ecb.europa.eu/euro/digital_euro/progress/html/index.en.html, last visited on 15 March 2026.

[3] See: European Data Protection Supervisor, Central Bank Digital Currency, article by Stefano Leucci, available at: https://www.edps.europa.eu/press-publications/publications/techsonar/central-bank-digital-currency_en.

[4] For more information, see: Atlantic Council (2025), Central Bank Digital Currency Tracker, together with interactive map, last updated July 2025, available at: https://www.atlanticcouncil.org/cbdctracker/.

presents how the digital euro provides a reliable response to challenges such as the strategic autonomy, monetary sovereignty and financial stability in the EU. Following this, the paper compares the digital euro with other payment and investment solutions such as the cryptocurrencies, stablecoins and other instruments. Finally, the last section draws a conclusion.

2. Process of establishing digital euro in the EU

The process for establishing a digital euro in the EU has two main streams. The first includes analysis and preparatory work by the European Central Bank – the institution responsible for issuing the digital euro. The second is the legislative framework proposed by the European Commission, which will be adopted through the ordinary procedure (co-decision) by the Council of the EU and the European Parliament.

The **first work stream of the European Central Bank** comprises several steps. The ECB's first comprehensive and detailed analysis of the digital euro was the October 2020 „Report on a digital euro".[5] It highlights the future possible characteristics, the reasons behind issuing and using such digital currency, the potential effects and the legal considerations, as well as many institutional, technical and organisational aspects of this project.

Nine months after the first report, the European Central Bank launched the *investigation phase* for its possible introduction. This phase was launched on July 14, 2021, and from the outset, it was planned to last for 24 months. A key principle of the investigation phase was that the design of the digital euro should be based on user preferences in order to build sufficient trust among the European citizens. The merchants and the intermediaries are also advised at each stage of the investigation and preparation for the digital currency. The advice and input of the payment industry are of particular focus during this phase as the introduction of the digital euro would not be possible without the industry's intermediation. The potential design and the distribution models have also been key issues during that phase for the ECB.[6] The result of this investigation phase was published by the ECB in a report dated October 2023. This report takes stock of the prospects and challenges associated with the introduction of the digital euro.[7]

Following the investigation phase and the ECB's stocktaking report, the next phase for the introduction of the digital euro was launched in November 2023. This phase was called the *preparation phase*. During that phase, the

---

[5] European Central Bank (2020), Report on a digital euro, Frankfurt am Main, Germany, October 2020, available at: https://www.ecb.europa.eu/pub/pdf/other/Report_on_a_digital_euro~4d7268b458.en.pdf.

[6] European Central Bank (2021), *Eurosystem launches digital euro project*, Press Release, 14 July 2021.

[7] European Central Bank (2023), A stocktake on the digital euro. Summary report on the investigation phase and outlook on the next phase, Frankfurt am Main, Germany, 18 October 2023.

main focus has been on the drafting and finalising a version of the future rulebook about the digital euro. Another priority has been the selection of providers for the future digital euro platform. During the preparation phase, several experiments and user research studies have also been conducted. The technical specifications for the digital euro have been further explored.

The European Central Bank closed the preparation phase in October 2025 with a progress report[8], highlighting the main conclusions as well as the way forward. According to the ECB's assessment, if EU decision-making institutions adopt the legal framework in 2026, the digital euro could be issued in 2029.[9]

The **second work stream** for the introduction of the digital euro, as previously mentioned, is **the legislative framework for the new digital currency**. These are the legal acts proposed by the European Commission that should be adopted by the Council of the European Union and the European Parliament. The following proposals are still drafts and are under the ordinary legislative procedure:

- Proposal for a *Regulation on the establishment of the digital euro*. This is the main legal act for legal introduction of the digital euro. As provided in the subject matter of the draft regulation, it establishes rules related to the legal tender status of the digital euro, its distribution, methods of use and essential technical features.[10]
- Proposal for a *Regulation on the provision of digital euro services by payment services providers incorporated in Member States whose currency is not the euro*. The digital euro shall be usable and accessible in the Euro area. As the physical euro banknotes and coins, that are a legal tender in the Euro area, the digital euro shall be a legal tender in the Member States of the Euro area. However, payment services providers incorporated in Member States whose currency is not euro, shall benefit from the freedom to provide services, one of the basic freedoms within the EU's single market. They shall provide these services to natural or legal persons residing or established in the Member States whose currency is the euro.[11]

---

[8] European Central Bank (2025), Progress on the preparation phase of a digital euro. Closing progress report, Frankfurt am Main, Germany, October 2025.

[9] The information for the work stream of the ECB for the introduction of the digital euro as digital currency of the Euro area is from: European Central Bank, Progress on the digital euro, available at: https://www.ecb.europa.eu/euro/digital_euro/progress/html/index.en.html, last visited on 15 March 2026.

[10] European Commission (2023a), Proposal for a Regulation of the European Parliament and of the Council on the establishment of the digital euro, 2023/0212(COD), COM(2023) 369 final, Brussels, 28.6.2023.

[11] European Commission (2023b), Proposal for a Regulation of the European Parliament and of the Council on the provision of digital euro services by payment services providers incorporated in Member States whose currency is not the euro and amending Regulation (EU) 2021/1230 of the European Parliament and the Council, 2023/0211(COD), COM(2023) 368 final, Brussels, 28.6.2023.

- Proposal for a *Regulation on the legal tender of euro banknotes and coins*. The aim of this regulation is to guarantee that the digital euro will not eliminate the use of cash and that euro banknotes and coins shall be used as a legal tender throughout the Euro area. The draft regulation stipulates that the legal tender status of euro banknotes and coins shall entail their mandatory acceptance.[12]

The Council of the European Union already adopted its common position for the discussions with the European Parliament. The common approach by the EU Member States to the Single currency package on the three legal proposals has been adopted in December 2025.[13] Moving forward, the European Parliament and the Council of the EU are expected to finalise the adoption of the legal texts with the support of the European Commission during the trialogue phase of the discussions.

3. A response for strategic autonomy, monetary sovereignty and financial stability

The digital euro addresses several important challenges within the evolving monetary, economic and financial landscape of the EU and the euro area. All these challenges have important implications.

One of the main challenges that the digital euro seeks to resolve is the need for more **strategic autonomy** in the payment sector. The concept of the strategic autonomy in the EU emerged more than a decade ago, initially centred around the defence area. That concept specifies that the EU shall become much more autonomous especially in the context of current instabilities and tensions. The Union must be able to act independently from its main allies and competitors, relying to its own capabilities and pursuing its own interests. Currently, the concept of strategic autonomy applies to various economic and societal sectors, including energy, critical infrastructure, and emerging technologies.[14]

Strategic autonomy is a concept that is increasingly applied to the payments landscape. The digital euro project is expected to play a substantial role in strengthening the EU's strategic autonomy in payments. Currently, two-thirds of the card transactions in the EU are performed via international payment schemes, usually Mastercard and Visa, which are based in the USA. Prior to 2026, of the then twenty members of the Euro area, thirteen countries did not

---

[12] European Commission (2023c), Proposal for a Regulation of the European Parliament and of the Council on the legal tender of euro banknotes and coins, 2023/0208(COD), COM(2023) 364 final, Brussels, 28.6.2023.

[13] Council of the European Union (2025), Single currency: Council agrees position on the digital euro and on strengthening the role of cash, Press Release, 19 December 2025.

[14] For more information on the EU strategic autonomy, see: Charlotte Beaucillon (2023), Strategic Autonomy: A New Identity for the EU as a Global Actor, European Papers.

rely on a domestic payment scheme, but on non-European solutions.[15] The digital euro will be based on a new payment scheme that will be entirely EU-owned. This will significantly increase the EU's strategic autonomy in the payments area.

The **monetary sovereignty** is another important field where the digital euro can contribute. In a non-digital economy, it is preserved relatively easy as the banknotes and coins (the money in traditional sense) usually can be issued solely by the sovereign. In a digital world, this is more challenging as digital payments and instruments have expanded into different forms and solutions. The digitalisation in the payment industry cannot be stopped; on the contrary, it is to be encouraged by the official institutions. At the same time, there is a need for a digital anchor provided by the central bank. The digital euro, issued by the ECB as a legal tender in the Euro area, is the only viable solution for such an ECB digital anchor.

There are even authors arguing that the monetary sovereignty is the most important factor behind the need for ECB to issue the digital euro. The monetary sovereignty is linked to the credibility of the euro itself.[16] And any currency, including the European single currency needs trust and credibility in order to be used by the citizens and the business.

The digital euro also has a role to play in safeguarding the **financial stability** of the Euro area. The financial stability is challenged by the various digital and crypto solutions that are frequently unregulated or lack proper supervision.[17]

The digital euro enhances financial stability through several channels. The first is the previously discussed increase in monetary sovereignty linked to the introduction of the digital euro. The digital euro also provides an alternative to the new forms of private and riskier digital money, thus, enhancing the availability and usability of central bank money. Last but not least, the digital euro stimulates competition and supports innovation in the digital environment.

However, certain risks to financial stability remain. One of them is the fact that the digital euro will lead to partial substitution of bank deposits. This risk will be effectively managed by introducing holding limits – the maximum

---

[15] Piero Cipollone (2025), The role of the digital euro in digital payments and finance, Contribution to Bancaria by Piero Cipollone, Member of the Executive Board of the ECB, based on remarks at the Crypto Asset Lab Conference on 17 January 2025.

[16] Rebecca Christie (2026), The real justification for the digital euro? Monetary sovereignty, Bruegel, 19 February 2026.

[17] It shall be pointed out, however, that the EU has already developed a legal framework and supervision even for the cryptoassets. The main legal act in that direction is the so-called Markets in Crypto Assets (MiCA) regulation: Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets, and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937, OJ L 150, 9.6.2023, pp. 40-205.

amount a person may hold in digital euro, which is currently planned to be around 3 000 euro. That will also limit the substitution of bank deposits.[18]

4. Digital euro vis-à-vis cryptocurrencies, stablecoins and other instruments

The digital euro is also a strategic response to other payment and investment instruments. Digital finance has transformed the way business and citizens operate in their transactions and purchases. The digital euro is a strategic response to the emergence of alternative payment and investment solutions. It differs from cryptocurrencies, stablecoins, commercial bank money tokens and other financial instruments. This section provides a comparison between the digital euro and other instruments.

The digital euro differs substantially from **cryptocurrencies**. In contrast to the digital euro – which is central bank money and legal tender intended for use through existing banking and payment infrastructures, cryptocurrencies do not rely on any central authority. They are de facto virtual currencies that allow peer-to-peer payments. Moreover, cryptocurrencies and cryptoassets are linked to speculative investments that are highly volatile in character.

Cryptocurrencies are secured by cryptography, and they operate via computer networks that are based on blockchain technologies. In comparison to the digital euro that is a centralised payment method, the cryptocurrencies use a decentralised method of payments and investments. Another difference is that digital euro shall be used virtually by all consumers in the euro area in comparison to cryptocurrencies that are used only by some consumers and investors with a riskier profile. An advantage of the cryptocurrencies in comparison to the digital euro is that they allow quasi anonymous transactions.[19]

Both the digital euro and the standard cryptocurrency differ from **stablecoins**. In practice, stablecoins are a specific type of cryptocurrencies. However, in contrast to the high volatility of standard cryptocurrencies, stablecoins are programmed to maintain a stable value. This is performed by pegging stablecoins to reserve assets, usually the U.S. dollar, but also to some debt instruments. Stablecoins are expected to bridge the gap between traditional financial instruments and volatile crypto assets.

Based on blockchain technologies, stablecoins are expected to provide high-speed payments, including cross-border transactions, at an extremely low cost, with 24/7 availability and bypassing the need of many financial and

---

[18] Claudia Lambert, Cosimo Pancaro and Antonella Pellicani (2023), A digital euro: gauging the financial stability implications, Published as part of the Financial Stability Review, European Central Bank, November 2023.

[19] Luca Vernero, The Digital Euro and the Cryptocurrencies: Challenges and Perspectives, Università di Torino.

payment intermediaries. Therefore, they are considered attractive payment instruments that are appropriate for Decentralised Finances (DeFi). Stablecoins have several specific characteristics:

- *Stablecoins are a bank-alternative to store value*: They provide the opportunity to save cash while reducing the reliance on banks. However, they do not bring interest and differ from bank deposits or money market funds.
- *Stablecoins are suitable for cross-border payments*: They provide the opportunity to transfer assets very quickly and less costly during business and non-business hours without direct intervention of financial intermediaries.
- *Stablecoins improve the access to blockchain-based marketplaces*: They decrease substantially the volatility and currency risk that are typical for standard cryptocurrencies.

However, it should be noted that stablecoins are not an investment instrument, as their value is designed to remain constant. They do not bear interest and therefore they are not associated with direct capital gains. Nevertheless, the fact that they are interoperable, cheap and user-friendly payment instruments for cross-border transactions, makes them suitable in the current digital environment.[20]

The stablecoins differ significantly from the digital euro project as it is not planned to be based on blockchain technologies. Furthermore, the digital euro currently is not designed to be used outside of the Eurosystem.[21]

The digital euro also differs from **commercial bank money tokens (CBMT)**. In practice, the CBMT are digital examples of traditional bank deposits. The main differences are that they are blockchain-based and that they use settlement through Distributed Ledger Technology (DLT) platform. They can be reached 24/7, are interoperable, secure instruments that align with the current regulatory and legal framework. The European Central Bank has initial positive feedback in regard to the characteristics of the CBMT as a deposit that has a different technical form. The CBMT also has many characteristics of a traditional bank deposit – it relies on a traditional bank settlement, has the protection of a statutory deposit guarantee scheme and can generate interest. These characteristics make commercial bank money tokens attractive to wide range of clients, including for institutional investors.[22]

---

[20] Jack Manley (2025), What is a stablecoin?, J.P.Morgan Asset management, 7 September 2025.

[21] Bundesverband deutscher Banken e. V. (2025), Stablecoins and other types of tokenized private sector money, 27 November 2025, Berlin, Germany.

[22] Die Deutsche Kreditwirtschaft (2024), Commercial bank money tokens, Concept Report: New Forms of Money in an Era of Evolving Industrial Needs, 17 July 2024 and Bundesverband deutscher Banken e. V. (2025), Stablecoins and other types of tokenized private sector money, 27 November 2025, Berlin, Germany.

It is important to note that the above-presented bank and payment solutions are not the only available digital payment methods. Many others are evolving rapidly as – digital wallets, mobile wallets, QR code payments, various peer-to-peer payments, crowdfunding platforms, etc. Even more sophisticated new payment methods are expected to emerge. A summary of the main instruments discussed in this paper is provided in the table below.

Table: Comparison between different financial and payment instruments

Type of instrument	Definition	Main characteristics
Digital euro	A digital equivalent to cash, issued by the central bank and available to everyone in the euro area.	Central bank digital money. A legal tender. An electronic means of payment that shall be available for anyone to use. Free of charge for the consumers.
Cryptocurrencies	A digital currency that is designed to work through blockchain infrastructure.	Easy to perform peer-to-peer transactions, occurring 24/7. Secured by cryptography. No link to any central authority. Usually highly volatile.
Stablecoins	A cryptocurrency with more stable value that is backed by reserve assets, usually the US dollar.	Less volatile than other cryptocurrencies. Based on blockchain technologies. Cheap and high-speed instrument. Suitable for 24/7 and cross-border transactions but they do not bear interest.
Commercial bank money tokens (CBMT)	Blockchain-based bank deposits that use the DLT platforms but that also have many standard bank characteristics.	Bank deposits that use blockchain and DLT technologies. They are available for settlement 24/7. They provide protection trough deposit guarantee schemes and may generate interest.
Other payment methods and instruments	Other payment solutions using digital and renewed technologies.	Various digital and technical characteristics.

In fact, all these payment and investment instruments complement one another as they have different characteristics, benefits and risk levels. For example, an investor with riskier profile will opt for the investment in crypto assets. Less risky players may prefer stablecoins or they will just use traditional bank accounts or conventional investment instruments. However, these payment and investment instruments also compete with one another in the payment and investment landscape.

As a central bank digital currency, the digital euro has an important role to play in the modern digital payment landscape. However, to perform this role effectively, it should be carefully introduced by the ECB, in coordination with policymakers and the financial and payment industries. Without sufficient public confidence, the digital euro may not fully realise its potential.

5. Conclusion

Once developed and introduced by the ECB, the digital euro will respond to many global and EU challenges. One of these challenges is the need to ensure strategic autonomy in the payments sector where currently many of the transactions within the EU and the Euro area are conducted via non-European card schemes.

Another challenge is the need to improve the Euro area's monetary sovereignty within a digital payment environment. The monetary sovereignty is enhanced by the public trust in the digital euro as a legal digital tender that complements the offline monetary sovereignty of the euro in cash.

The digital euro will also contribute to the financial stability in the Euro area. It will bring a centrally anchored digital payment alternative in contrast to various unsecured and volatile payment methods and solutions in the market.

The digital euro differs substantially from cryptocurrencies, stablecoins, commercial bank money tokens and other payment methods. It will bring benefits and advantages in the payment environment such as the backing by the ECB, the provision of secure and autonomous EU payment solution.

However, its development is not without some challenges. It is less anonymous than many EU citizens would prefer, raising privacy and data protection concerns. All these challenges, however, should be a subject of a separate in-depth analysis.

References:

1. Atlantic Council (2025), Central Bank Digital Currency Tracker, together with interactive map, last updated July 2025, available at: https://www.atlanticcouncil.org/cbdctracker/.
2. Charlotte Beaucillon (2023), Strategic Autonomy: A New Identity for the EU as a Global Actor, European Papers.
3. Bundesverband deutscher Banken e. V. (2025), Stablecoins and other types of tokenized private sector money, 27 November 2025, Berlin, Germany
4. Claudia Lambert, Cosimo Pancaro and Antonella Pellicani (2023), A digital euro: gauging the financial stability implications, Published as part of the Financial Stability Review, European Central Bank, November 2023.
5. Council of the European Union (2025), Single currency: Council agrees position on the digital euro and on strengthening the role of cash, Press Release, 19 December 2025.
6. Die Deutsche Kreditwirtschaft (2024), Commercial bank money tokens, Concept Report: New Forms of Money in an Era of Evolving Industrial Needs, 17 July 2024

7. European Central Bank (2026), Progress on the digital euro, available at the following address: https://www.ecb.europa.eu/euro/digital_euro/progress/html/index.en.html, last visited on 15 March 2026.
8. European Central Bank (2025), Progress on the preparation phase of a digital euro. Closing progress report, Frankfurt am Main, Germany, October 2025.
9. European Central Bank (2023), A stocktake on the digital euro. Summary report on the investigation phase and outlook on the next phase, Frankfurt am Main, Germany, 18 October 2023.
10. European Central Bank (2021), Eurosystem launches digital euro project, Press Release, 14 July 2021.
11. European Central Bank (2020), Report on a digital euro, Frankfurt am Main, Germany, October 2020, available at: https://www.ecb.europa.eu/pub/pdf/other/Report_on_a_digital_euro~4d7268b458.en.pdf.
12. European Commission (2023a), Proposal for a Regulation of the European Parliament and of the Council on the establishment of the digital euro, 2023/0212(COD), COM(2023) 369 final, Brussels, 28.6.2023.
13. European Commission (2023b), Proposal for a Regulation of the European Parliament and of the Council on the provision of digital euro services by payment services providers incorporated in Member States whose currency is not the euro and amending Regulation (EU) 2021/1230 of the European Parliament and the Council, 2023/0211(COD), COM(2023) 368 final, Brussels, 28.6.2023.
14. European Commission (2023c), Proposal for a Regulation of the European Parliament and of the Council on the legal tender of euro banknotes and coins, 2023/0208(COD), COM(2023) 364 final, Brussels, 28.6.2023.
15. European Data Protection Supervisor, Central Bank Digital Currency, article by Stefano Leucci, available at: https://www.edps.europa.eu/press-publications/publications/techsonar/central-bank-digital-currency_en.
16. Jack Manley (2025), What is a stablecoin?, J.P.Morgan Asset management, 7 September 2025.
17. Luca Vernero, The Digital Euro and the Cryptocurrencies: Challenges and Perspectives, Università di Torino.
18. Piero Cipollone (2025), The role of the digital euro in digital payments and finance, Contribution to Bancaria by Piero Cipollone, Member of the Executive Board of the ECB, based on remarks at the Crypto Asset Lab Conference on 17 January 2025.
19. Rebecca Christie (2026), The real justification for the digital euro? Monetary sovereignty, Bruegel, 19 February 2026.
20. Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets, and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937, OJ L 150, 9.6.2023, pp. 40-205.

THE EU'S RISKY EXPANSIONARY AUSTERITY POLICY STRATEGY

Assoc. Prof. Tsvetan Manchev, Ph.D.
European Studies Department, Faculty of Philosophy,
„St. Kliment Ohridski" Sofia University[1]
ORCID: 0000-0002-4103-9484

Abstract:

This paper analyses the European Union (EU) policy strategy for stabilisation and growth after the Global Financial Crisis (GFC) with a particular focus on effects from the Junker's Plan 2014-20. It identifies a lot of similarities between this strategy under the Commission's Broad Economic Policy Guidelines (BEPGs), Stability and Growth Pact (SGP) Rules and the EU's Multi-Annual Financial Frameworks (MFFs), and the self-defeating expansionary austerity theory approach to fiscal policy. The paper demonstrates that in the evolving global political environment of the 21-st century, a chaotic anti-crisis combination of the rule- and formula-based, coercive and nudging approaches of the EU policy strategy pose risks to sustainable growth and to global competitiveness of the Union. The implemented strategy has also increased public debt of the member states, compared to the pre-GFC levels and has narrowed their own fiscal policy space, thus possessing treats to the long-term economic sustainability of the Union and the single currency.

JEL Classifications: E62; F02; F36; F45; H12; H63;

Keywords: Fiscal Policy, Economic Growth, Public Debt, Expansionary Austerity Theory, EU sustainability.

The Euro Area (EA) grows less than the US and China in the last decades. During the GFC, its growth suffered more than the US', which was in the eye of the storm. For example, the 2009 EA recession (4.8% GDP decline) was much deeper than one of the US, where the GDP declined just 2.5%. During the 2011-14 European Sovereign Debt Crisis (ESDC), the average EA growth lagged the US by some 5 percentage points. This results from framework deficiencies and policy slippages, combined with a surge in public debt, increasingly limited fiscal space and more complex, obscure and ineffective fiscal rules.

This paper consists of three sections. First, the Theory of Expansionary Economies (TEE) and its global application as an anti-crisis fiscal policy

[1] Disclaimer: The opinion expressed here is entirely of the author and should in no way be attributed or linked to that of the institutions in which he has worked or is working, or to their policies. Any inaccuracies, omissions or errors are entirely the fault of the author.

instrument is presented. The second section discusses some distinguished features of the EU governance and fiscal policy frameworks under the 2009 Treaty of Functioning of the EU (TFEU). The third section analyses the TEE application within the EU fiscal framework in response to the GFC and ESDC. Some conclusions on EU sustainability are provided at the end.

Theoretical ground and global application of expansionary austerity

The TEE became increasingly popular among policymakers mainly from the research of Giavazzi, Pagano and Blanchard.[2,3] It states that fiscal consolidation to reduce and stabilise the public debt-to-GDP ratio during and immediately after crises can be successfully achieved through a combination of targeted cuts in public spending and increases of taxation, aiming at a better budget composition which stimulates the long-term private sector spending. The reduction of debt-to-GDP is expected to come mainly from acceleration of the denominator, compared to contribution from the nominator. The success key in such a targeted fiscal policy consolidation, however, is in the increased market confidence, which lowers government borrowing costs, facilitates roll-over of the past debt, and thus improves the public debt maturity structure and augments the so called „fiscal space“ for manoeuvring.

Although Keynes completely rejected the idea of fiscal consolidation during a systemic crisis, like the Great Depression, and supported the use of public investment as an important tool for maintaining employment, Alesina et al. claimed that the government austerity policy in similar circumstances can facilitate long-term growth too.[4,5] Earlier study by Giavazzi et al. demonstrated that the austerity-based fiscal consolidation in countries with a high government debt does not cause a „Keynesian reduction“ of private consumption and savings.[6] Canale, Fontana and Sau well explained how the TEE was gradually woven into formulation of the Neo-Keynesian fiscal policy, where fiscal multipliers have a key role in transmission of the policy impulses to GDP in a highly indebted economy.[7,8]

---

[2] Francesco Giavazzi and Marco Pagano (1990), Can severe fiscal contractions be expansionary? Tales of two small European countries, edited by Olivier Jean Blanchard and Stanley Fischer, NBER Macroeconomics Annual, Vol. 5, MIT Press, 1990, pp. 75-111

[3] Olivier Jean Blanchard (1990), Comments on Giavazzi and Pagano, edited by Olivier Jean Blanchard and Stanley Fischer, NBER Macroeconomics Annual, Vol. 5, MIT Press, 1990, pp. 111-116

[4] John Maynard Keynes (1937), The general theory of employment, The Quarterly Journal of Economics, Vol. 51, No. 2, 1937, pp. 209-223.

[5] Alberto Alesina, Carlo Favero and Francesco Giavazzi (2019), Austerity: When It Works and When It Doesn't, Princeton University Press, 2019.

[6] Francesco Giavazzi, Tullio Jappelli and Marco Pagano (1999), Searching for Non-Keynesian Effects of Fiscal Policy, CSEF Working Paper No. 16, Centre for Studies in Economics and Finance (CSEF), University of Naples, Italy, 1999.

[7] Rosaria Rita Canale (2019), The evolution of fiscal policy theory and the Eurozone, Rivista internazionale di scienze sociali Anno 127, No. 2, 2019, pp. 173-194.

[8] Olimpia Fontana and Lino Sau, (2025), Expansionary austerity in Europe: Finally an Oxymoron?, European Journal of Economics and Economic Policies, Vol. 22, pp. 1-26.

The TEE established itself as a dominant paradigm of the Bretton Woods institutions in designing response to the banking crises in Latin America, Spain and Central and Eastern Europe (CEE) in the 1980s and 1990s. As part of the G-7, the EU leaders unequivocally supported this policy approach in CEE's transition from plan to market with the IMF financing.[9] Later, the IMF also implemented the approach to address the 1997 Asian Crisis and 1998 Russian crisis. Shortly thereafter, during the two terms of President Josŭ Durɔo-Barroso between 2004-2014, the doctrine of expansionary austerity became the core part of the Commission's assessment tool under the 2005 SGP reform and the newly adopted TFEU, which came into force on December 1, 2009.[10]

Study by Reinhart and Rogoff gave a new push for the TEE implementation in countries with the public debt-to-GDP ratio exceeding 90 percent.[11] Their starting hypothesis was that highly indebted countries invariably face slower long-term growth, but with adequate fiscal structural reforms they can permanently boost private sector spending. Alesina and Ardagna demonstrated the advantages of reducing government spending over tax increase as a policy combination in the growth-friendly anti-crisis fiscal consolidation.[12] Empirical study by Ben-Nasr and Boubaker with data from the sovereign debt markets segment also concluded that austerity-based fiscal consolidation increases investor confidence and develops domestic capital markets.[13] The 2009 G-20 leaders' response to GFC included an IMF governance reform, which steadily diluted the austerity-based approach in its stabilisation programs across the globe. An important role for the post-GFC evolution of the IMF paradigm has also had a series of empirical studies demonstrating instability of fiscal multipliers and technical difficulties of using them in macroeconomic forecasting and modelling.[14,15,16]

---

[9] G7 (1990), Houston Economic Declaration (11/07/1990), G7/G20 Documents Database, Houston; available at: https://g7g20-documents.org/database/document/1990-g7-usa-leaders-leaders-language-houston-economic-declaration [Accessed on 21 February 2025]

[10] Sven Langedijk, Lucio Pench and Salvador Barrios (2010), EU fiscal consolidation after the financial crisis: lessons from past experiences, DG ECFIN, European Economy: Economic Papers No. 418, July 2010, Publications Office of the EU

[11] Carmen Reinhart and Kenneth Rogoff (2010), Growth in a time of debt, American Economic Review, Vol. 100, No. 2, 2010, pp. 573-578.

[12] Alberto Alesina and Silvia Ardagna (2010), Large Changes in Fiscal Policy: Taxes versus Spending, Journal of Tax Policy and the Economy, Vol. 24, No. 1, 2010, pp. 35-68.

[13] Hamdi Ben-Nasr and Sabri Boubaker (2024), Government debt and stock price crash risk: International Evidence, Journal of Financial Stability, Vol. 72, Article 101245, June 2024; available at: https://doi.org/10.1016/j.jfs.2024.101245 [Accessed on 25 February 2026]

[14] Jaime Guajardo, Daniel Leigh and Andrea Pescatori (2011), Expansionary Austerity New International Evidence, IMF Working Paper Series, No. 11/158, International Monetary Fund, 2011

[15] Olivier Jean Blanchard and Daniel Leigh (2013), Growth Forecast Errors and Fiscal Multipliers, IMF Working Paper Series, No. 13/1, International Monetary Fund, 2013, available at: https://www.imf.org/external/pubs/ft/wp/2013/wp1301.pdf [Accessed on 12 February, 2026]

[16] Nicoletta Batini, Luc Eyraud, Loranzo Forni and Anke Weber (2014), Fiscal Multipliers: Size, Determinants, and Use in Macroeconomic Projections, IMF Departmental Paper Series, Fiscal Affairs Department: Technical Notes and Manuals, September, International Monetary Fund, 2014, available at: https://www.imf.org/external/pubs/ft/tnm/2014/tnm1404.pdf [Accessed on 3 April, 2026]

Theoretical work of Blyth, Botta and Tori also contributed to the TEE global sunset.[17,18,19]

Obstfeld and Thomsen well explained IMF deviation from the austerity-based stabilisation approach in the case of derailed second Troika-financed package for ailing Greece.[20,21] Technically, the debate within creditors from the Troika was concentrated on the long-term ratio of the primary budget surplus-to-GDP, which Greece should maintain to keep receiving stabilisation financing and secure regular access to the global financial markets. The IMF insisted on a sizable public debt restructuring by the official creditors, which would significantly lower long-term primary surplus requirement (at about 1.5% of GDP) to allow for higher aggregate demand and growth, leading to a sustainable long-term decline in the public debt-to-GDP ratio. This policy strategy effectively concentrates the long-term fiscal policy focus on active management of the denominator in the public debt-to-GDP ratio to increase economic potential and reduce social inequalities. Instead, after a long hesitation the EU institutions enforced „re-profiling" without a reduction in Greek debt, combined with a much higher requirement for the long-term primary fiscal surplus (about 3.5% to GDP). Given that, Obstfeld and Thomsen concluded that the EU deal „require a degree of austerity that could hinder the nascent recovery".

The EU contemporary governance frameworks to counter deep recessions

The EU austerity-driven stabilisation approach to counter systemic crises in the Member States stems from controversy of its governance framework. Fiscal policy is not explicitly listed as an exclusive EU competence, meaning that Member States formally retain control over it, unless specific powers are transferred to the Union (Art. 2-6 TFEU). At the same time, Art. 121 of the TFEU makes clear that Member States regard their economic policies as a matter of common concern, and although not fully transferred to Brussels these policies should be closely coordinated at the EU level. The European Commission itself cannot run an operational budget deficit, under the simplified Treaty revision procedure (introduced in Art. 46 of TFEU during ESDC), but it can establish temporary mechanisms to respond to extraordinary shocks and deep recessions. This amendment allows the Commission to borrow from the markets for specific

---

17 Mark Blyth (2013), Austerity: The history of a dangerous idea, Oxford University Press, 2013.

18 Alberto Botta (2020): The short-and long-run inconsistency of the expansionary austerity theory: a post-Keynesian/evolutionist critique, Journal of Evolutionary Economics, Vol. 30, No. 1, 2020, pp. 143-177

19 Alberto Botta and Daniele Tori (2018), The Theoretical and Empirical Fragilities of the Expansionary Austerity Theory, Journal of Post Keynesian Economics, Vol. 41, no. 3, 2018, pp. 364-98.

20 Troika is a nickname given by media and social networks of the three institutions - the IMF, European Commission and European Central Bank, which gained popularity during the GFC and ESDC.

21 Maurice Obstfeld and Poul Thomsen (2016), The IMF is Not Asking Greece for More Austerity, IMF Blog, 12 December 2026; available at: https://www.imf.org/en/Blogs/Articles/2016/12/12/the-imf-is-not-asking-greece-for-more-austerity [Accessed on 10 April 2026]

purposes and repay in line with the art. 311 of the TFEU, while the debt service is backed by the EU budget ceilings under the MFFs, adopted by the Council.

The EU has also had three legally binding institutional regimes to compensate for the lack of political union and a full-fledged lender-of-last resort. They aim to enforce sound public finance policy of its members and limit macroeconomic imbalances. Two of the regimes are static - the procedures and criteria for entry into the EA, i.e. the Maastricht criteria for nominal convergence (Art. 140(1) TFEU), and the „no bail-out" of a Member State by the Community (Art. 125 TFEU). These static regimes remain beyond the scope of our analysis, although ambiguity of Art. 103a of the TFEU for the possibility of exceptional financial assistance to countries has led to development of a permanent European Stability Mechanism (ESM) during ESDC. However, evolving ESM has a limited role in every day's EU public finance management.

We keep our focus on the TEE's application with the third EU institutional regime, established in 1997 (with two regulations – Nos. 1466 and 1467 – with direct application in the legislation of the Member States in accordance with Art. 121 and 126 TFEU and Protocol No. 12 thereto). It consists of the BEPGs, defined annually by the Council at the level of ministers of finance and economy of the EU Member States (ECOFIN Council) on a proposal from the Commission, and the SGP. This regime is dynamic and supported by the set of Commission's financial policies embedded in the EU's MFFs and related common structural and cohesion funds under the 2000 Lisbon Strategy for growth and jobs creation. Just before the GFC, in 2005 the SGP was reformed to allow discrete fiscal policy adjustments by the Member States in response to „structural imbalances", without a clear definition of the later term. Since then, this ambiguous formulation most often allows ad-hoc fiscal policy responses under pressure from noisy electorates and/or external shocks, which makes the SGP and BEPGs an ineffective policy coordination tool.[22]

In response to the ESDC, the Council adopted new SGP reforms in 2011 and 2013, including more complex fiscal rules and political mechanisms for their implementation. However, the weak enforcement of the enhanced regime did not provide the expected results.[23] The amended rules did not get credibility of the markets and citizens as well, because of confusing interactions between political and rule-based schemes for policy monitoring and adjustment at the Union level. Ultimately, the approach mutually limited the effectiveness of both the political control framework and the enforcement led down in the EU legislation but also deprived the SGP mechanisms of civil control - a tool necessary for the normal functioning of modern democratic societies.

---

[22] Jean Pisani-Ferry (2006), Only One Bed for Two Dreams: A Critical Retrospective on the Debate over the Economic Governance of the Euro Area, Journal of Common Market Studies, Vol. 44. Number 4., 2006, pp. 823-44.

[23] Luc Eyraud and Tao Wu (2015), Playing by the Rules: Reforming Fiscal Governance in Europe, IMF Working Paper Series No. 15/67, International Monetary Fund, 2015, available at: https://www.imf.org/external/pubs/ft/wp/2015/wp1567.pdf [Accessed on 11 May, 2025]

In the 2020s, new reforms further complicated the SGP and undermined fiscal discipline through creative accounting, excluding significant spending components in the Commission's calculations of budget deficits for policy purposes, namely:

(1) the COVID-19 pandemic expenditures in the period 2020-22, based on the so-called „block exemption clause"[24]; and

(2) defence and security expenditures exceeding 1.5% of GDP after 2024 and those for pensions, education, healthcare and long-term social care above administratively determined limits, justified by the Commission's semi-annual forecasts, based on the so-called „national exemption clause" or „national opt-out clauses".[25]

The EU experience with expansionary austerity

EU fiscal policy responses to the GFC and the ESDC can be divided into three stages. Before the collapse of Lehman Brothers in September 2008, policy-makers focused on containing losses from U.S.-exposed European banks. Governments acted individually, providing liquidity, recapitalisation, and deposit guarantees based on national fiscal capacity, while formally adhering to the common „no bail-out" clause. Broader fiscal policy remained Keynesian, relying on automatic stabilisers in line with the 2007 BEPGs. These interventions reached 3.5% of the Euro Area GDP in 2009 and 4.5% in 2010, exceeding earlier Commission's projections by some €700 billion[26].

The second stage (late 2008-2009) marked a shift to coordinated fiscal stimulus at the EU level through discretionary measures. The European Economic Recovery Plan (EERP), adopted in November 2008, contradicted earlier guidance the Member States to rely only on automatic stabilisers and reflected growing political urgency to respond to growth debacle. It combined Keynesian-style stimulus with a coordinated structural investment at the EU level of €200 billion, aiming to cushion the recession through managing demand in the economy while setting up future growth. The Commission emphasised need for temporary and targeted nature of the members' countercyclical policy interventions rather than

---

[24] European Council (2020), Statement of EU ministers of finance on the Stability and Growth Pact in light of the COVID-19 crisis; available at: https://www.consilium.europa.eu/en/press/press-releases/2020/03/23/statement-of-eu-ministers-of-finance-on-the-stability-and-growth-pact-in-light-of-the-covid-19-crisis/ [Accessed on 17 September 2025]

[25] European Council (2024), National escape clause for defence expenditure, available at: https://www.consilium. europa.eu/en/policies/national-escape-clause-for-defence-expenditure-nec/ [Accessed on 17 September 2025]

[26] IMF (2009), Euro Area Policies: 2009 Article IV Consultation, Staff Report, Public Information Notice on the Executive Board Discussion and Statement by the Executive Director for Member Countries, IMF Country Report No. 09/223, June 5530, International Monetary Fund, 2009, p. 38, available at: https://www.imf.org/en/publications/cr/issues/2016/12/31/euro-area-policies-2009-article-iv-consultation-staff-report-public-information-notice-on-23136 [Accessed on 13 April 2025]

on permanent fiscal expansion, but within a year acknowledged that its earlier forecasts and policy guidance failed.[27]

In the third stage, from late 2009 to the ESDC peak in late 2010, the Commission called for a rapid fiscal consolidation, aiming to mitigate overshooting effect from the EERP.[28] This shift in communication was driven largely by the market pressures rather than prior policy planning, because budget deficit of the EA Member States went up, from 0.6% to GDP in 2007 to 6.3% of GDP in 2009 and remained there in 2010. The EA public debt rose sharply too, to 85% of GDP by 2010, from 69.6% in 2008. A few EA-16 members surpassed 100% (Greece, Italy, Portugal, and Belgium), while many others approached critical thresholds of 90%. The market concerns that turned the 2008-09 GFC into the 2010-2013 ESDC stemmed from controversy of the EU governance framework but structural weaknesses. In several countries (e.g., Greece, Italy, Spain, Portugal, France), structural budget deficits-to-potential GDP in 2009-10 exceeded the threshold of 5%, which research by Muller and Price identified as an early warning signal for unsustainable long-term increase in the public debt burden.[29]

The EU response to the ESDC combined relaxed fiscal constraints of the common budget with stronger oversight via the Commission on the Member States finances. A key development was transformation of the EU budget into a vehicle for leveraged investment through hybrid financing mechanisms. The pioneering scheme was 2014 „Juncker Plan" implemented through creation of the two-year European Fund for Strategic Investments (EFSI) with an initial capacity of €315 billion.[30] It was funded by the European Investment Bank (EIB) through Eurobond issuance guaranteed by the Commission's budget. The EFSI was formally launched in July 2015 by joint legislation of the Council and Parliament with direct application in the members' laws. Though presented as temporary, the scheme initiated a broader move toward loan-based EU financing to the Member States for investment in public infrastructure and SMEs.

In 2017 the scheme was extended until 2020, and the EFSI resources were tentatively increased to €500 billion. If necessary, the EFSI also supplemented

---

[27] EC (2009), Economic Forecast: Autumn 2009; European Commission (EC), DG ECFIN Economic Activity Report, Number 10, Brussels; p. 1, available at: https://ec.europa.eu/economy_finance/publications/pages/publication16055_en.pdf [Accessed on 12 May 2025]

[28] IMF (2009), Euro Area Policies: 2009 Article IV Consultation, Staff Report, Public Information Notice on the Executive Board Discussion and Statement by the Executive Director for Member Countries, IMF Country Report No. 09/223, June 5530, International Monetary Fund, 2009, p. 21, available at: https://www.imf.org/en/publications/cr/issues/2016/12/31/euro-area-policies-2009-article-iv-consultation-staff-report-public-information-notice-on-23136 [Accessed on 13 April, 2025]

[29] Patrice Muller and Robert Price (1984), Structural Budget Deficits and Fiscal Stance, OECD Economics Department Working Papers, No. 15, OECD Publishing, Paris.

[30] In the period 2011-13 the Commission and EIB Group informally tested the ground through launching small pilot guarantee schemes for risk-sharing in SME financing, which replaced direct financing from the EU budget. In 2012, the Council adopted Regulation No. 966/2012, which amended the general budgetary rules, and laid the foundations for some new types of financial instruments. Yet, the approach was not entirely a full hybrid financing model.

the project financing with technical assistance, aiming to improve the investment climate in the Member States, but triggering a greater Commission's influence on the Member States long-term budgeting too. In 2018 the Commission officially announced its strategy to implement the hybrid-financing model to the forthcoming EU MFFs. The model evolved into subsequent instruments under the 2021-27 MFF: InvestEU (€372 billion), SURE (€100 billion, closed in 2022), NextGenEU (€806.9 billion) and the defence-focused SAFE (€150 billion, 2025). These programs increasingly rely on a centralised EU-level borrowing through Eurobond issuance by the Commission, which now has a direct role in capital markets and effectively expands its fiscal capacity beyond traditional budget limits.

There are two major reasons for the evolution in the Commission's approaches and instruments in raising financing for stabilisation and growth in the EU. First, there have been frictions between the Commission's political approach and the EIB's business attitude to the 2014-20 EFSI projects. This is a principal confrontation between the need to implement the projects as quickly as possible and in full compliance with the political priorities of the EU leadership and the mandate of a hybrid international financial institution, such as the EIB, which as a bank must engage only in economically viable and effective projects. It led to the 2018-19 clash in the EIB Board of Governors regarding financing of the common policies proposed by the Commission to tackle climate change but did not cease.[31]

Second, the Commission is gradually building its own experience and capacity to raise market financing. The EIB was selected as the temporary contractor in 2014 precisely because of its expertise in turning the limited EU budget guarantees into meaningful investment programs. By steadily taking the lead in fundraising in the 2020s, the Commission has clearly manifested willingness to directly communicate with investors on behalf of the Union and become a key player on the global sovereign bond market. At the same time, it is effectively removing the cap on its own budget, which expands its institutional power within the EU. From the next MFF 2027-34, principal and interest payments on the already issued Eurobond become part of the mandatory expenditure of the Union, which must be balanced either by additional revenue of the Commission or net contributions of the Member States. Both sources mean significant additional long-term burden for the European taxpayers, including through further austerity imposed by national budgets.

Hildebrand et. al. proposed a further expansion of the EU hybrid-financing model through including legal assurances that the Eurobonds will become eligible for European Central Bank (ECB) refinancing operations.[32] Several high-level EU policy makers and experts, including from the ECB and European

---

[31] Daniel Mertens and Natascha van der Zwan (2025), Puzzling, powering, profiting: the politics of sustainable finance in the European Union, Journal of European Public Policy, Vol. 32, Special Issue, 2025, pp. 1-22.

[32] Philipp Hildebrand, Helene Rey and Moritz Schularick (2025), European defence governance and financing, Centre for Economic Policy Research, VoxEU Column, 24 November; available at: https://cepr.org/voxeu/columns/european-defence-governance-and-financing [Accessed on 27 April 2026]

Systemic Risk Board supported the idea, which will further increase supply of the Eurobond debt to the global financial markets. Brunnermeier et. al., ESRB and Lane believe that a deep common Eurobond market can compete the US Treasury bond one in the long run as a safety heaven for private investors during global market distress.[33,34,35]

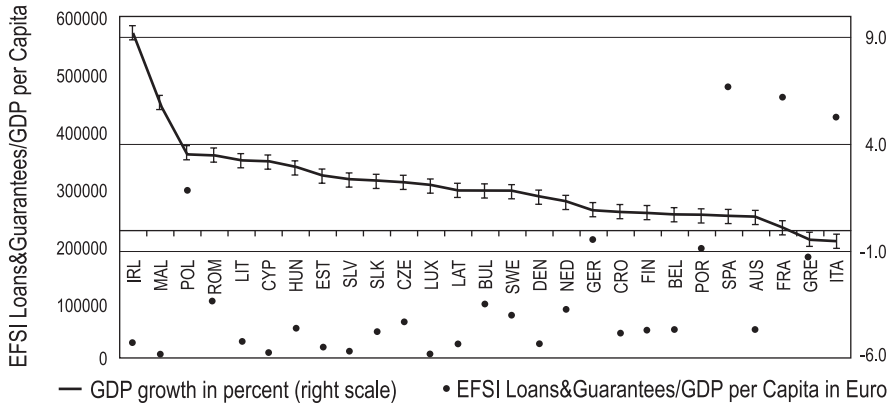


Chart 1: EFSI funding and average GDP growth of the Member States (2014-2020) [36]

Change in composition of the common European budget steadily converts it into a predominantly loan-guaranteed scheme for centralised politically motivated investments through a streamlined redesign of the MFFs.[37] Evidence from the EFSI period (2014-2020), however, raises questions about economic effectiveness and rationality of such a move. Chart 1 demonstrates that the most affected countries by the GFC and ESDC (e.g. Greece, Italy) received substantial funding but experienced weak recoveries. Other EU members with stronger macroeconomic fundamentals (e.g., Germany, Poland) also received significant support despite stable growth. Meanwhile, some weaker growth performers received limited funding, and Ireland recovered strongly with relatively little EU support. It implies that the centralised anti-crisis responses, such as the Juncker's plan, cannot substitute for much-needed private investment.

---

[33] Markus Brunnermeier, Sebastian Merkel and Yuliy Sannikov (2024), Safe Assets, Journal of Political Economy, Vol. 132, No. 11, November 2024, pp. 3603-57.

[34] ESRB (2025), High-Level Task Force on Safe Assets Report: Volume I - Main Findings and Volume II - Technical Analysis, European Systemic Risk Board; available at: https://www.esrb.europa.eu/pub/task_force_safe_assets/html/index.en.html [Accessed on 27 April 2026]

[35] Philip Lane (2026), Expanding the supply of euro safe assets, Keynote speech by Philip Lane, Member of the Executive Board of the ECB, at the joint workshop of the European Systemic Risk Board Advisory Technical Committee and Advisory Scientific Committee on „A European Safe Asset and Financial Stability", Frankfurt am Main, 22 April 2026

[36] The EFSI data are normalised to reflect differences in the living standards of the Member States.

[37] Klaus Goetz and Ronny Patz (2016), Pressured budgets and the European Commission: towards a more centralized EU budget administration?, Journal of European Public Policy, Vol. 23, Issue (7), 2016, pp. 1038-1056

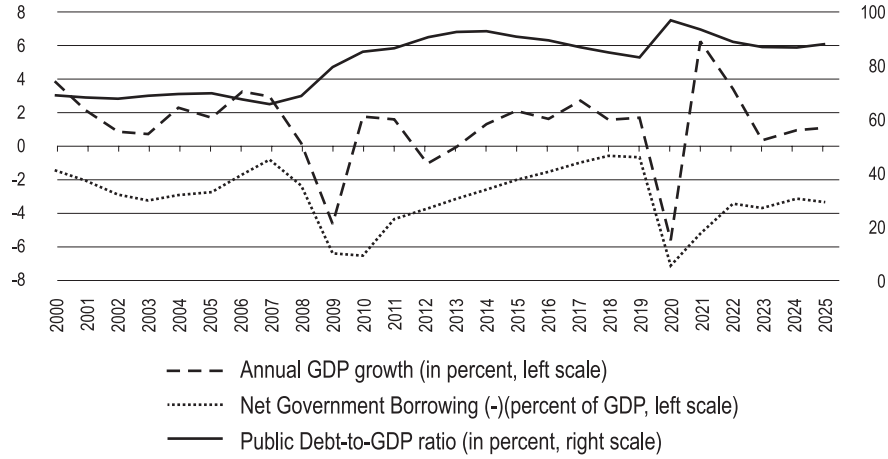


Chart 2: EA - GDP growth, net government borrowing and public debt

Another point of concern should be the long-term sustainability of the common Eurobond financing given that the EU governance framework does not guarantee effective structural reforms. Chart 2 suggests that the 21st century EU is unable to address high public indebtedness and recurring budget deficit of its members. The annual average net borrowing requirements-to-GDP of the Euro Area for the period 2000-2025 (2.9 percent) remained close to the Maastricht deficit threshold of 3 percent to GDP. During the period, the public debt-to-GDP ratio increased by 18.6 p.p., from 69.2 percent in 2000 to 87.8 percent in 2025, by far exceeding the Maastricht criterion of 60 percent to GDP. At the same time, there were substantial fluctuations in growth, but the annual average EA growth rate for the period 2000-2025 remained sluggish, just 1.3 percent. Bouabdallah et. al. also highlighted the risk of increasing public debt sensitivity to the differential between market interest rates and economic growth.[38] According to Constantini, erosion of the EU fiscal discipline started even before the GFC, with the 2005 SGP relaxation and lack of political will to enforce the corrective arm of the Pact.[39] Cepparulo and Reitano demonstrated that the recently established „national opt-out clauses“ delusory increase the Member States' short-term fiscal space by relaxing budgetary expenditure constraints in certain sectors.[40]

---

[38] Othman Bouabdallah, Cristina Checherita-Westphal, Nander de Vette, and Sándor Gardó (2021), Sensitivity of sovereign debt in the Euro Area to an interest rate-growth differential shock, Box 1, pp. 24-27 in the ECB Financial Stability Review, November 2021, Frankfurt am Main.

[39] Orsola Constantini (2017), Political economy of the Stability and Growth Pact, European Journal of Economics and Economic Policies: Intervention, Vol. 14 No. 3, 2017, pp. 333-350.

[40] Alessandra Cepparulo and Vito Ernesto Reitano (2025), An Assessment of the Euro Area Fiscal Stance in 2025 and 2026, Considering the Flexibility for Higher Defence Spending, DGECFIN, European Commission, 2025, available at: https://economy-inance.ec.europa.eu/document/download/a0a12bd1-2d85-43f2-a49f-03e8bf58f2b2_en?filename=eb085_en_0.pdf [Accessed on 12 April, 2026]

Concluding remarks

The above discussion demonstrates that EA crises management since 2008 shifts toward more centralised, debt-financed interventions combined with tighter fiscal oversight on the Member States, complex and difficult to understand fiscal rules. While this move has expanded the Union's institutional capacity to respond to crises, its economic effectiveness remains uneven, and the approach introduces growing long-term fiscal risks alongside persistent transparency concerns.

The paper also highlighted deficiencies in the EU stabilisation policy frameworks and policies to support sustainable long-term growth. In the 21st century, the EU simply replicates the US policy of cheap financing from the global markets to support its own and global growth. As global financial markets test the soundness of government commitments and liquidity of public finance in the individual Member States, the EU is forced to accumulate more common debt without resolving the fundamental economic efficiency problem.

References

1. Alberto Alesina and Silvia Ardagna (2010), Large Changes in Fiscal Policy: Taxes versus Spending, Journal of Tax Policy and the Economy, Vol. 24, No. 1, 2010, pp. 35-68.
2. Alberto Alesina, Carlo Favero and Francesco Giavazzi (2019), Austerity: When It Works and When It Doesn't, Princeton University Press, 2019.
3. Alberto Botta (2020): The short-and long-run inconsistency of the expansionary austerity theory: a post-Keynesian/evolutionist critique, Journal of Evolutionary Economics, Vol. 30, No. 1, 2020, pp. 143-177
4. Alberto Botta and Daniele Tori (2018), The Theoretical and Empirical Fragilities of the Expansionary Austerity Theory, Journal of Post Keynesian Economics, Vol. 41, no. 3, 2018, pp. 364-98.
5. Alessandra Cepparulo and Vito Ernesto Reitano (2025), An Assessment of the Euro Area Fiscal Stance in 2025 and 2026, Considering the Flexibility for Higher Defence Spending, DGECFIN, European Commission, 2025, available at: https://economy-inance.ec.europa.eu/document/download/a0a12bd1-2d85-43f2-a49f-03e8bf58f2b2_en?filename=eb085_en_0.pdf [Accessed on 12 April, 2026]
6. Carmen Reinhart and Kenneth Rogoff (2010), Growth in a time of debt, American Economic Review, Vol. 100, No. 2, 2010, pp. 573-578.
7. Daniel Mertens and Natascha van der Zwan (2025), Puzzling, powering, profiting: the politics of sustainable finance in the European Union, Journal of European Public Policy, Vol. 32, Special Issue, 2025, pp. 1-22.
8. EC (2008), *A European Economic Recovery Plan*, European Commission (EC), COM (2008) 800 final, Brussels, November 26; available at: https://ec.europa.eu/economy_finance/publications/pages/publication13504_en.pdf [Accessed on 2 April, 2025]
9. EC (2009), Economic Forecast: Autumn 2009; European Commission (EC), DG ECFIN Economic Activity Report, Number 10, Brussels; p. 1, available at: https://ec.europa.eu/economy_finance/publications/pages/publication16055_en.pdf [Accessed on 12 May 2025]

10. ESRB (2025), High-Level Task Force on Safe Assets Report: Volume I - Main Findings and Volume II - Technical Analysis, European Systemic Risk Board; available at: https://www.esrb.europa.eu/pub/task_force_safe_assets/html/index.en.html [Accessed on 27 April 2026]
11. European Council (2020), Statement of EU ministers of finance on the Stability and Growth Pact in light of the COVID-19 crisis; available at: https://www.consilium.europa.eu/en/press/press-releases/2020/03/23/statement-of-eu-ministers-of-finance-on-the-stability-and-growth-pact-in-light-of-the-covid-19-crisis/ [Accessed on 17 September 2025]
12. European Council (2024), National escape clause for defence expenditure, available at: https://www.consilium.europa.eu/en/policies/national-escape-clause-for-defence-expenditure-nec/ [Accessed on 17 September 2025]
13. Francesco Giavazzi and Marco Pagano (1990), Can severe fiscal contractions be expansionary? Tales of two small European countries, edited by Olivier Jean Blanchard and Stanley Fischer, NBER Macroeconomics Annual, Vol. 5, MIT Press, 1990, pp. 75-111
14. Francesco Giavazzi, Tullio Jappelli and Marco Pagano (1999), Searching for Non-Keynesian Effects of Fiscal Policy, CSEF Working Paper No. 16, Centre for Studies in Economics and Finance (CSEF), University of Naples, Italy, 1999.
15. G7 (1990), Houston Economic Declaration (11/07/1990), G7/G20 Documents Database, Houston; available at: https://g7g20-documents.org/database/document/1990-g7-usa-leaders-leaders-language-houston-economic-declaration [Accessed on 21 February 2025]
16. Hamdi Ben-Nasr and Sabri Boubaker (2024), Government debt and stock price crash risk: International Evidence, Journal of Financial Stability, Vol. 72, Article 101245, June 2024; available at: https://doi.org/10.1016/j.jfs.2024.101245 [Accessed on 25 February 2026]
17. IMF (2009), Euro Area Policies: 2009 Article IV Consultation, Staff Report, Public Information Notice on the Executive Board Discussion and Statement by the Executive Director for Member Countries, IMF Country Report No. 09/223, June 5530, International Monetary Fund, 2009, available at: https://www.imf.org/en/publications/cr/issues/2016/12/31/euro-area-policies-2009-article-iv-consultation-staff-report-public-information-notice-on-23136 [Accessed on 13 April, 2025]
18. Jaime Guajardo, Daniel Leigh and Andrea Pescatori (2011), Expansionary Austerity New International Evidence, IMF Working Paper Series, No. 11/158, International Monetary Fund, 2011
19. Jean Pisani-Ferry (2006), Only One Bed for Two Dreams: A Critical Retrospective on the Debate over the Economic Governance of the Euro Area, Journal of Common Market Studies, Vol. 44. Number 4., 2006, pp. 823-44.
20. John Maynard Keynes (1937), The general theory of employment, The Quarterly Journal of Economics, Vol. 51, No. 2, 1937, pp. 209-223.
21. Klaus Goetz and Ronny Patz (2016), Pressured budgets and the European Commission: towards a more centralized EU budget administration?, Journal of European Public Policy, Vol. 23, Issue (7), 2016, pp. 1038-1056
22. Luc Eyraud and Tao Wu (2015), Playing by the Rules: Reforming Fiscal Governance in Europe, IMF Working Paper Series No. 15/67, International Monetary Fund, 2015, available at: https://www.imf.org/external/pubs/ft/wp/2015/wp1567.pdf [Accessed on 11 May, 2025]
23. Mark Blyth (2013), Austerity: The history of a dangerous idea, Oxford University Press, 2013.

24. Markus Brunnermeier, Sebastian Merkel and Yuliy Sannikov (2024), Safe Assets, Journal of Political Economy, Vol. 132, No. 11, November 2024, pp. 3603-57.

25. Maurice Obstfeld and Poul Thomsen (2016), The IMF is Not Asking Greece for More Austerity, IMF Blog, 12 December 2026; available at: https://www.imf.org/en/Blogs/Articles/2016/12/12/the-imf-is-not-asking-greece-for-more-austerity [Accessed on 10 April 2026]

26. Nicoletta Batini, Luc Eyraud, Loranzo Forni and Anke Weber (2014), Fiscal Multipliers: Size, Determinants, and Use in Macroeconomic Projections, IMF Departmental Paper Series, Fiscal Affairs Department: Technical Notes and Manuals, September, International Monetary Fund, 2014, available at: https://www.imf.org/external/pubs/ft/tnm/2014/tnm1404.pdf [Accessed on 3 April, 2026]

27. Olimpia Fontana and Lino Sau, (2025), Expansionary austerity in Europe: Finally an Oxymoron?, European Journal of Economics and Economic Policies, Vol. 22, pp. 1-26.

28. Olivier Jean Blanchard (1990), Comments on Giavazzi and Pagano, edited by Olivier Jean Blanchard and Stanley Fischer, NBER Macroeconomics Annual, Vol. 5, MIT Press, 1990, pp. 111-116

29. Olivier Jean Blanchard and Daniel Leigh (2013), Growth Forecast Errors and Fiscal Multipliers, IMF Working Paper Series, No. 13/1, International Monetary Fund, 2013, available at: https://www.imf.org/external/pubs/ft/wp/2013/wp1301.pdf [Accessed on 12 February, 2026]

30. Orsola Constantini (2017), Political economy of the Stability and Growth Pact, European Journal of Economics and Economic Policies: Intervention, Vol. 14 No. 3, 2017, pp. 333-350.

31. Othman Bouabdallah, Cristina Checherita-Westphal, Nander de Vette, and Sándor Gardó (2021), Sensitivity of sovereign debt in the Euro Area to an interest rate-growth differential shock, Box 1, pp. 24-27 in the ECB Financial Stability Review, November 2021, Frankfurt am Main.

32. Patrice Muller and Robert Price (1984), Structural Budget Deficits and Fiscal Stance, OECD Economics Department Working Papers, No. 15, OECD Publishing, Paris.

33. Philip Lane (2026), Expanding the supply of euro safe assets, Keynote speech by Philip Lane, Member of the Executive Board of the ECB, at the joint workshop of the European Systemic Risk Board Advisory Technical Committee and Advisory Scientific Committee on „A European Safe Asset and Financial Stability“, Frankfurt am Main, 22 April 2026

34. Philipp Hildebrand, Helene Rey and Moritz Schularick (2025), European defence governance and financing, Centre for Economic Policy Research, VoxEU Column, 24 November; available at: https://cepr.org/voxeu/columns/european-defence-governance-and-financing [Accessed on 27 April 2026]

35. Rosaria Rita Canale (2019), The evolution of fiscal policy theory and the Eurozone, Rivista internazionale di scienze sociali Anno 127, No. 2, 2019, pp. 173-194.

36. Sven Langedijk, Lucio Pench and Salvador Barrios (2010), EU fiscal consolidation after the financial crisis: lessons from past experiences, DG ECFIN, European Economy: Economic Papers No. 418, July 2010, Publications Office of the EU

FROM STABILITY TO PREPAREDNESS: TRANSFORMING THE EU BUDGET IN AN AGE OF PERMANENT CRISIS

Assoc. Prof. Dr. Georgiana Ciceo
Babeş-Bolyai University
ORCID: 0000-0001-7243-3145

Abstract

This contribution examines how the European Union is adapting its long-term budgetary architecture to a context characterized by permanent and overlapping risks, including geopolitical instability, security threats, climate-related crises, economic fragmentation, and migration pressures. Focusing on the ongoing negotiations on the post-2027 Multiannual Financial Framework (MFF), the research sets its goal to conceptualize how the EU budget tends to be increasingly transformed from a redistributive/investment planning instrument into a tool of risk governance and preparedness. Using a qualitative methodology that combines document analysis and process tracing, the research analyses Commission proposals, Council negotiation frameworks, and European Parliament position to identify key budgetary adaptations. These include enhanced flexibility mechanisms, the institutionalization of crisis-response instruments, the re-prioritization of spending towards security, defence, competitiveness, and preparedness, the expansion of conditionality linked to governance standards, and proposals for new EU „own resources". The aim would be to explain how these adaptations may strengthen the Union's capacity to respond to shocks and act strategically in an uncertain global environment although they generate new tensions concerning democratic accountability, cohesion policy, and the balance of power between EU institutions and member states.

Key words: Multiannual Financial Framework, polycrisis, risk governance, preparedness, flexibility mechanisms

Introduction

Over the past decade, the European Union has increasingly been characterized as operating under conditions of multiple crises, most of them originating outside the European Union, but having a considerable impact on European governance. Against this background the former President of the European Commission Jean-Claude Juncker coined in 2016 the term „polycrisis" for

describing this ongoing condition in which multiple challenges arrive at the same time and „feed each other,“[1] generating uncertainty and doubt among citizens while straining the Union's cohesion and legitimacy.[2] It encompasses not merely the accumulation of separate emergencies, but a system-level predicament: interlocking shocks and stressors that unfold across domains and reinforce one another, increasing problem pressure and making governance choices more politically contentious and operationally complex.[3]

The current situation does not offer reasons for hope in a reduction in the challenges lying ahead. According to the analysis of the EU Council's Analysis and Research Team (ART), whose mandate is to research the implications for the EU of current geopolitical developments as well as longer-term trends, the EU prepares now to enter a period characterized by „transactional geopolitics“, „weaponized interdependence“, and intensified industrial competition. This shift away from rules-based multilateralism towards *ad hoc* bargaining and power politics exposes the EU increasingly at risk of future crises as a result of marginalization in major geopolitical and geoeconomic decisions[4]. Nevertheless, this thorough transformation of the international system comes at a time when Europe faces structural economic constraints - the Single Market was designed for a „smaller world“ and has not adapted sufficiently to scale, speed and security requirements in a much more competitive global environment[5] whereas the productivity growth has lagged persistently behind the United States, largely due to Europe's weaker position in digital and advanced technologies.[6]

All three reports point in the direction of a new approach to crisis situations, with the EU taking a more proactive stance through a deliberate commitment to strengthening its strategic autonomy and competitiveness. *Forward Look 2026* suggests that the changing „rules of the game“ are forcing the EU to rethink the

---

1 Jean-Claude Juncker, „Speech at the Annual General Meeting of the Hellenic Federation of Enterprises“, Speech 16/2293, June 21, 2016, https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_16_2293.

2 Francesco Nicoli and Jonathan Zeitlin, „Introduction: Escaping the Politics Trap? EU Integration Pathways beyond the Polycrisis“, *Journal of European Public Policy* 31, no. 10 (2024): 3012, https://doi.org/10.1080/13501763.2024.2366395; Edoardo Bressanelli and David Natali, „Tested by the Polycrisis: Reforming or Transforming the EU?“, *Politics and Governance* 11, no. 4 (2023): 246, https://doi.org/10.17645/pag.v11i4.7894; Jonathan Zeitlin, Francesco Nicoli, and Brigid Laffan, „Introduction: The European Union beyond the Polycrisis? Integration and Politicization in an Age of Shifting Cleavages“, *Journal of European Public Policy* 26, no. 7 (2019): 974, https://doi.org/10.1080/13501763.2019. 1619803.

3 Bressanelli and Natali, „Tested by the Polycrisis“, 247-248; Nicoli and Zeitlin, „Escaping the Politics Trap?“, 3014.

4 Council of the European Union, Analysis and Research Team, *Forward Look 2026: Playing by New Rules?* (Brussels: Council of the European Union, 2026), 6-9 & 30-32, https://www.consilium.europa.eu.

5 Enrico Letta, *Much More than a Market: Speed, Security, Solidarity. Empowering the Single Market to Deliver a Sustainable Future and Prosperity for All EU Citizens*, report to the European Council (Brussels: European Council, 2024), 4-6, https://www.consilium.europa.eu.

6 Mario Draghi, *The Future of European Competitiveness: A Competitiveness Strategy for Europe* (Brussels: European Commission, 2024), 7-8 & 23-26, https://commission.europa.eu.

relationship between security, economic fragility, climate transition and social stability[7]. Draghi argues that Europe has entered a period in which growth can no longer rely on past external conditions and must instead be rebuilt through innovation, competitiveness, decarbonization, security, and reduced dependency[8]. Letta likewise treats scale, capital mobilization and a stronger Single Market as prerequisites for prosperity and strategic agency[9]. Beyond public policy measures designed to foster an environment conducive to supporting European ambitions in a challenging international context, a comprehensive, well-designed financing strategy that incorporates private and public funding sources, as well as national and EU initiatives is indicated as a viable remedy[10] given the current „investment gap".[11] Recent projections suggest that financing EU's strategic requirements has risen to approximately €1,200 billion annually on average for the period 2025-31.[12] It is true that the bulk of this sum is expected to be borne by the private sector although maintaining a constant flow of private investments will require „empowering the Single Market" to support the EU's strategic objectives.[13] However, given the new target of 5% of GDP for annual defence spending (by 2035) and the imperative of maintaining the sustainability of the NGEU debt, public sector contribution combining existing national and European public resources is estimated now at €510 million annually (representing 43% of the EU's annual investment needs).[14] Even by making the most of the existing set of policy tools - budgetary resources (including the EU budget, the European Investment Bank, and other EU funding initiatives such as InvestEU), alternative policy frameworks, the power to issue debt securities - that can cover up to €400 billion a year, approx. €100 billion annually will still be needed for funding the necessary investments.[15] Aware of these imperatives, the European Commission designed its proposal for the next Multiannual Financial Framework in a way that would support increased flexibility, competitiveness, security, strategic technologies,

---

7 Council of the European Union, Analysis and Research Team, *Forward Look 2026*.

8 Draghi, *The Future of European Competitiveness*.

9 Letta, *Much More than a Market*.

10 Letta, *Much More than a Market*; Draghi, *Future of European Competitiveness*; Othman Bouabdallah et al., „Mind the Gap: Europe's Strategic Investment Needs and How to Support Them," *ECB Blog*, June 27, 2024, https://www.ecb.europa.eu/press/blog/date/2024/html/ecb.blog240627~2e939aa430.en.html.

11 Moritz S. Lappe and David Pinkus, *Plugging Europe's Investment Gap: Understanding the Potential of Leveraging Institutional Investors*, Bruegel Working Paper no. 17/2025 (Brussels: Bruegel, 2025), https://www.bruegel.org/working-paper/plugging-europes-investment-gap-understanding-potential-leveraging-institutional.

12 Othman Bouabdallah et al., „Time to Be Strategic: How Public Money Could Power Europe's Green, Digital and Defence Transitions", *ECB Blog*, July 25, 2025, https://www.ecb.europa.eu/press/blog/date/2025/html/ecb.blog20250725~f26b4ef0f3.en.html; Alessandro De Sanctis et al., „Unlocking Private Investment and Boosting Productivity with EU Programmes", *ECB Blog*, November 20, 2025, https://www.ecb.europa.eu/press/blog/date/2025/html/ecb.blog20251120~e0ecdcf648.en.html.

13 Letta, *Much More than a Market*.

14 Bouabdallah et al., „Time to Be Strategic"; De Sanctis et al., „Unlocking Private Investment".

15 Ibidem.

and place-based implementation bearing in mind the imperative of a better crisis response[16]. Under these circumstances, this contribution sets its goal to identify the most salient factors that contribute to the transformation of the MFF post 2027 into a strategic tool. The paper begins by mapping how the MFF's strategic role is conceptualized in the present discussions on its redesign after 2027. Then the research will endeavour to convert strategic autonomy and competitiveness into measurable budget-relevant indicators. Subsequently, the analysis will focus on evaluating which MFF design choices can best support EU „public goods" (e.g., innovation, defence industrial capacity, cross-border energy grids). Last but not least, an attempt will be made to identify the trade-offs and political constraints (e.g., security vs. cohesion, simplification vs. regulatory certainty, national vs. EU-level funding).

Literature review

Since crises unfolding across different temporal scales and policy domains, generating cumulative stress have become structural features of the EU governance rather than episodic disruptions, a substantial body of literature examining how the EU governs under permanent uncertainty has come to build up.[17] This section will attempt to investigate what we already know about EU's capacity to use its budget for generating solutions for managing a complex and vast arrays of crises and how this experience can be transferred for crafting EU's post 2027 Multiannual Financial Framework (MFF) in a way that will help in managing future crises.

The term „polycrisis" is not new, but it has gained significant academic and political relevance in the post-2020 European context. Its academic origins are usually attributed to Edgar Morin and Anne-Brigitte Kern,[18] who described a constellation of interconnected crises that reinforce one another. Jean-Claude Juncker reintroduced it into European discourse in 2016, referring to the migration crisis, Brexit, and the instability of the eurozone as a composite phenomenon[19].

---

[16] Ursula von der Leyen, „Statement on the Next Long-Term EU Budget", Statement 25/1851, July 16, 2025, https://ec.europa.eu/commission/presscorner/api/files/.

[17] Tanja A. Börzel, „From EU Governance of Crisis to Crisis of EU Governance: Regulatory Failure, Redistributive Conflict and Eurosceptic Publics", *Journal of Common Market Studies* 54 (2016), https://doi.org/10.1111/jcms.12431; Maurizio Ferrera, Hanspeter Kriesi, and Waltraud Schelkle, „Maintaining the EU's Compound Polity during the Long Crisis Decade", *Journal of European Public Policy* 31, no. 3 (2023), https://doi.org/10.1080/13501763.2023.2165698; Erik Jones, R. Daniel Kelemen, and Sophie Meunier, „Failing Forward? Crises and Patterns of European Integration", *Journal of European Public Policy* 28, no. 10 (2021), https://doi.org/10.1080/13501763.2021.1954068; Jonathan Kamkhaji and Claudio M. Radaelli, „Crisis, Learning and Policy Change in the European Union", *Journal of European Public Policy* 24, no. 5 (2017), https://doi.org/10.1080/13501763.2016.1164744; Mark Rhinard, Neill Nugent, and William Paterson, eds., *Crises and Challenges for the European Union* (London: Bloomsbury, 2023); Frank Schimmelfennig, „Polity Attacks and Policy Failures: The EU Polycrisis and Integration Theory", in *The EU under Strain? Current Crises Shaping European Union Politics*, ed. Daniel Schade and Mechthild Roos (Berlin: De Gruyter, 2023); Frank Schimmelfennig, „Crisis and Polity Formation in the European Union", *Journal of European Public Policy* 31, no. 10 (2024), https://doi.org/10.1080/13501763.2024.2313107.

[18] Edgar Morin and Anne Brigitte Kern, *Homeland Earth: A Manifesto for the New Millennium*, trans. Anne Brigitte Kern, Advances in Systems Theory, Complexity, and the Human Sciences (Cresskill, NJ: Hampton Press, 1999).

When defining a polycrisis, the literature essentially refers to two definitions. On the one hand, there is the definition by Adam Tooze[20] who describes a polycrisis as a situation in which shocks from different systems interact in such a way that the whole is more destabilizing than the sum of its parts. This definition has the advantage of capturing the crucial distinction from a simple „multiple crisis", since it does not involve several parallel crises, but rather crises that feed into one another through feedback mechanisms. On the other hand, there is the definition of Lawrence, Janzwood, & Homer-Dixon[21] who define polycrisis as a situation in which „separate crises in different global systems in fact interact, exacerbate, and reshape one another to form a conjoined „polycrisis" that must be understood and addressed as a whole." This definition would have the advantage of higher analytical precision, although it downplays a broader world-systemic polycrisis.

Across the literature, several common effects of polycrisis on EU budgetary governance have been underscored. First and foremost, the literature has highlighted that despite the many crises it has had to deal with the EU's ordinary budgetary model remains inadequate. The EU budget continues to be characterized by small-scale, path-dependency and a weighty commitment to cohesion and agriculture, even though the response to the crises demanded macroeconomic stabilization, recovery or strategic investment.[22] Then, although that it is true that the many crises have led to institutional and fiscal innovation (the euro crisis produced the European Stability Mechanism (ESM) and a broader package of economic governance mechanisms (Six-Pack, Two-Pack, and European Semester), Covid-19 did not only generate several temporary instruments like Support to mitigate Unemployment Risks in an Emergency (SURE), Next Generation EU (NGEU), and Recovery and Resilience Facility (RRF), but significantly changed the scale and composition of EU public intervention), the EU budgetary governance has become more complex and fragmented as it added to the old MFF model several layers - off-budget funds, borrowing and lending operations, EU guarantees, performance-based funding, recovery plans, rule-of-law conditionality, anti-fraud mechanisms.[23] Moreover, although the crises have created

---

19 Juncker, „Speech at the Annual General Meeting".

20 Adam Tooze, „Welcome to the World of the Polycrisis", *Financial Times*, October 28, 2022, https://www.ft.com/content/498398e7-11b1-494b-9cd3-6d669dc3de33.

21 Michael Lawrence, Scott Janzwood, and Thomas Homer-Dixon, *What Is a Global Polycrisis? And How Is It Different from a Systemic Risk?*, Discussion Paper 2022-4, Version 2.0 (Cascade Institute, 2022), https://cascadeinstitute.org/technical-paper/what-is-a-globalpolycrisis/.

22 Iain Begg, „The EU's Increasingly Complex Finances: A Ticking Bomb?", *EconPol Forum* 24, no. 4 (2023), https://hdl.handle.net/10419/279975; OECD, *OECD Economic Surveys: European Union and Euro Area 2025* (Paris: OECD Publishing, 2025), https://doi.org/10.1787/5ec8dcc2-en.

23 Schimmelfennig, „Polity Attacks and Policy Failures"; Brigid Laffan, „Europe's Union in Crisis: Tested and Contested," *West European Politics* 39, no. 5 (2016), https://doi.org/10.1080/01402382.2016.1186387; Idem, „Collective Power Europe? The Government and Opposition/Leonard Schapiro Lecture 2022," *Government and Opposition* 58, no. 4 (2023), https://doi.org/10.1017/gov.2022.52; Amélie Barbier-Gauchard and Alexandre Simon, „The European Union at the Test of Economic Crisis: How Has the EU Budget 2021-2027 Adapted?", in *The Changing Topography of EU Administration*, ed. Didier Georgakakis, European Administrative Governance (Cham: Palgrave Macmillan, 2024), https://doi.org/10.1007/978-3-031-64695-9_14; Begg, „EU's Increasingly Complex Finances"; OECD, *OECD Economic Surveys*.

pressures for change that would ultimately lead to fiscal integration, the current legal framework gives the EU much weaker powers over distributive policies than over regulatory policies, in a context where solidarity remains a politically sensitive issue.[24] Considering also the current developments and the long-term challenges to its ambition of maintaining a leadership role globally, the EU must now identify viable solutions to a persistent funding dilemma to ensure that its forward-looking agenda is translated into concrete actions and outcomes.

Although the EU's ability to deliver is determined by how it mobilizes resources, particularly under economic restrictions and geopolitical pressure, the EU budget remains limited, contested and subject to competing priorities - defence readiness, technological upgrading, clean industrial transformation, and social cohesion. The research problem is how the forthcoming EU's primary budgetary framework, the Multiannual Financial Framework (MFF) can be configured in a manner that can contribute to maximizing EU-level public goods, reducing strategic dependencies, and closing competitiveness gaps without undermining cohesion and legitimacy especially since the design and function of the MFF continues to be most commonly analysed as a redistribution and governance tool. The current analysis seeks to close this gap by investigating how and under what conditions MFF might be transformed into a strategic capacity-building tool that will enable the EU to better respond to upcoming crises.

Based on the above-mentioned considerations the present analysis aims to answer several research questions. It will start by investigating how the current debates frame the role of the forthcoming MFF in strengthening the EU's ability to cope with present and future crises. Further, it will examine how certain features embedded in the MFF's design - such as allocations, structure, instruments, governance, will enable the delivery of those EU-level public goods that underpin both EU security and industrial performance. Closely related to this last question, it will explore through which mechanisms can the post 2027 MFF contribute to on the one hand reducing vulnerabilities from dependencies and on the other hand boosting innovation and industrial scale. However, given the scale of the transformation that the future MFF will have to undergo, the question with regard to the key political and economic concessions for rebalancing the MFF toward defence and innovation while preserving cohesion and legitimacy cannot be sidestepped in any way.

Methodology

This study adopts a qualitative, theory-informed, policy-focused research design to examine how the post 2027 Multiannual Financial Framework (MFF) comes to be shaped in a way that may enhance the European Union's capacity to govern future crises and mitigate politicization dynamics while supporting its focal ambitions of strategic autonomy and competitiveness. Given the complexity,

[24] Brigid Laffan, *Europe's Union in the 21st Century: From Decision Trap to Politics Trap*, RSC 2021/67 (Florence: Robert Schuman Centre for Advanced Studies, 2021), https://doi.org/10.2139/ssrn.3914033.

multi-level nature, and institutional embeddedness of EU budgetary governance, the research will combine qualitative content analysis of relevant documents and discourses with budget architecture analysis for examining how MFF structure could enable or, on the contrary, limit EU public goods as a result of allocation logic, flexibility, conditionalities, instruments, and governance. The research is explicitly centred around the European Commission's proposal for the 2028-2034 MFF[25], while also taking into account the positions developed in the European Parliament[26], the Council of the European Union[27], the European Council where available, and selected other relevant actors in order to identify both the capacities and the limits of budgetary governance under permanent crisis conditions.

The research takes polycrisis as the independent variable whereas the shaping of the next MFF, understood not simply as the volume of the long-term budget, but as the design of its allocation structure, instruments, governance, and conditionality/flexibility arrangements, constitutes the dependent variable. While recognizing the power of certain additional explanatory variables for determining the outline of the next MFF (i.e. the influence of sectoral and territorial coalitions, the opposition between „frugal" and cohesion-oriented coalitions, the politics of NGEU debt repayment, the legal constraint of unanimity under Article 312 TFEU, differences in administrative absorption capacity etc.), their role will be acknowledged but not examined in the same depth because of the project's scope. The focus will be set on the way in which the revamping of the post 2027 MFF and the restructuring of the long-term budgetary resources is influenced by the impact of ongoing and future crises leaving the analysis of the impact of other potentially explanatory factors for future studies to explore. However, we do not assume an entirely deterministic relationship between the budgetary resources and crisis governance. The analytical premise is not that polycrisis mechanically determines budgetary outcomes, but that the way crises are framed, prioritized, and politically interpreted conditions how EU actors define legitimate spending priorities, justify trade-offs, and redesign the architecture of the budget. Rather, we attempt to identify potential causal relationships in an exploratory manner.

For the purposes of this study, polycrisis will be operationalized, based on the scholarly literature and the reports that structure the empirical analysis,

---

[25] European Commission, *Proposal for a Council Regulation Laying Down the Multiannual Financial Framework for the Years 2028 to 2034*, COM(2025) 571 final, Brussels, July 16, 2025, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52025PC0571 and idem, *A Dynamic EU Budget for the Priorities of the Future - The Multiannual Financial Framework 2028-2034*, COM(2025) 570 final, Brussels, July 16, 2025, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52025SC0570R(01).

[26] European Parliament, *European Parliament Resolution of 28 April 2026 on the Proposal for a Council Regulation Laying Down the Multiannual Financial Framework for the Years 2028 to 2034*, P10_TA(2026)0111. Strasbourg/Brussels, April 28, 2026, https://www.europarl.europa.eu/doceo/document/TA-10-2026-0111_RO.pdf.

[27] Council of the European Union, *Multiannual Financial Framework (MFF) 2028-2034 - Draft Negotiating Box*, Document 16344/25, Brussels, December 9, 2025, https://data.consilium.europa.eu/doc/document/ST-16344-2025-INIT/en/pdf.

through five interrelated dimensions: (1) security and geopolitical threat[28]; (2) economic fragility and productivity weakness[29]; (3) energy-climate-industrial stress[30]; (4) social vulnerability[31]; and (5) governance shortcomings[32]. The dependent variable, by contrast, is conceptualized as the way in which the next MFF is being reconfigured in response to this crisis environment. It is broken down into four dimensions corresponding directly to the research questions. First, allocation structure refers to the relative balance between headings, policy envelopes, ring-fenced spending, and pooled funding arrangements. Second, instruments refer to concrete budgetary devices such as the European Competitiveness Fund, crisis-response tools, external action instruments, or any dedicated defence-relevant lines. Third, governance concerns the institutional distribution of authority: the balance between Commission steering and member-state discretion, the role of Parliament, the place of regions and local actors, and the procedures for reprogramming or revision. Fourth, conditionality and flexibility cover rule-of-law conditionality, reform-linked access, performance logics, crisis reserves, margins, and the ability to shift resources in response to shocks. This operationalization reflects both the core elements of the Commission proposal[33] and the key points of contestation raised by Parliament[34] and the Council[35].

Methodologically, the study combines qualitative content analysis, structured document comparison, and mechanism-oriented case study analysis. The first step is a comparative framing analysis of the three agenda-setting reports mentioned above, namely, *Forward Look 2026*, Draghi's *The Future of European Competitiveness*, and Letta's *Much More Than a Market*, in order to establish how they frame the role of the future MFF in strengthening the EU's capacity to handle current and future crises. The objective would be to reconstruct the different policy logics attached to the budget: whether the MFF is presented primarily as a resilience instrument, a vehicle for EU public goods, an investment platform, a geopolitical budget, a cohesion-preserving compromise, or some

---

[28] Council of the European Union, Analysis and Research Team, *Forward Look 2026*, 6-15; Draghi, *The Future of European Competitiveness*, 54-62; Letta, *Much More than a Market*, 70-78.

[29] Council of the European Union, Analysis and Research Team, *Forward Look 2026*, 18-21; Draghi, *The Future of European Competitiveness*, 23-38; Letta, *Much More than a Market*, 28-38, 50-60, 84-88 & 107-113.

[30] Council of the European Union, Analysis and Research Team, *Forward Look 2026*, 22-25; Draghi, *The Future of European Competitiveness*, 28-50; Letta, *Much More than a Market*, 39-44 & 61-69.

[31] Council of the European Union, Analysis and Research Team, *Forward Look 2026*, 26-29; Draghi, *The Future of European Competitiveness*, 5 & 19-21; Letta, *Much More than a Market*, 6-8, 14-16, 90-106.

[32] Council of the European Union, Analysis and Research Team, *Forward Look 2026*, 4, 24 &26-29; Draghi, *The Future of European Competitiveness*, 5-9 & 67-69; Letta, *Much More than a Market*, 9-10, 22-24, 33-35, 39-41, 94-95 & 120-131.

[33] European Commission, *Proposal for a Council Regulation Laying Down the Multiannual Financial Framework for the Years 2028 to 2034*.

[34] European Parliament, *European Parliament Resolution of 28 April 2026 on the Proposal for a Council Regulation Laying Down the Multiannual Financial Framework for the Years 2028 to 2034*.

[35] Council of the European Union, *Multiannual Financial Framework (MFF) 2028-2034 - Draft Negotiating Box*.

combination of these. At this stage, the analysis focuses on diagnoses of crisis interaction, references to resilience and preparedness, claims about scale and strategic investment, references to strategic autonomy and competitiveness, and proposals for governance reform. The second step is a document-tracing exercise that compares the policy content of these three reports with the Commission's formal proposal for the MFF. This part of the research identifies how and to what extent the recommendations contained in *Forward Look 2026*, Draghi, and Letta were incorporated in the MFF package. Through mechanism-centred case studies the aim is to identify the concrete pathways through which the MFF could contribute to overcoming the challenges posed by crises while reducing strategic dependencies and enhancing productivity, innovation and industrial scale. Overall, this approach allows for a nuanced, theory informed assessment of the post 2027 MFF as an instrument of polycrisis governance. It captures both functional capacity building and political constraint, thereby aligning empirical strategy with the core theoretical contribution of the study.

Results

The proposed Multiannual Financial Framework (MFF) for 2028-2034 marks a significant transformation of the European Union's budgetary system when compared to the current 2021-2027 framework from at least three perspectives - scale, structure, and strategic orientation. The European Commission proposes a substantial increase of the overall size of the EU budget, framing its proposal as „an ambitious and dynamic Multiannual Financial Framework" and „a budget for a new era",[36] amounting to almost EUR 1.8 trillion (2025 prices), equivalent to 1.26% of EU GNI[37]. This represents a clear increase compared to the current MFF (2021-2027), which was originally set to approximately 1.13% of EU GNI, but has come to amount to €1.2 trillion (in 2025 prices)[38]. Excluding NGEU debt repayments, the proposed budget is €367.2 billion higher than the current MFF (a 29% increase in nominal terms), representing a deliberate political choice to expand the EU's fiscal capacity in response to evolving challenges, carefully supported by the introduction of new own resources with the aim to reinforce EU's financial independence while keeping overall GNI contributions of member states at the same level. The second major transformation concerns the internal architecture of the budget since the current MFF is characterized by fragmentation and complexity, „a patchwork of 52 programmes" with „a lot

---

[36] von der Leyen, „Statement on the Next Long-Term EU Budget".

[37] This amount includes €149.3 billion (0.11% of EU GNI) for repaying NGEU debt (Marianna Pari and Stéphanie Pradier, „EU Budget 2028-2034: Overview of the Commission's Proposal" (Brussels: European Parliamentary Research Service, September 2025), PE 775.885, 2, https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/775885/EPRS_BRI(2025)775885_EN.pdf).

[38] By applying the fixed 2% annual deflator (which nevertheless underestimates actual inflation), its real value was reduced to 1.02% of EU GNI, resulting in a loss of purchasing power equal to 0.11% of EU GNI. By including the temporary Next Generation EU (NGEU) recovery instrument introduced after COVID-19, total EU spending reached 1.7% of EU GNI. (Pari and Pradier, „EU Budget 2028-2034", 2).

of redundancy and overlapping,"[39] the result of a technocratic, hierarchical, and highly regulated decision-making process, whose limits were exposed by the recent crises. What the Commission proposes now represents a fundamental redesign aimed at simplification and coherence whose central axis will be the National and Regional Partnership Plans that will benefit EUR 865 billion and will represent the „foundation for investment and reform".[40] The third and most profound transformation lies in the strategic role assigned to the EU budget. Traditionally, the MFF has functioned primarily as a mechanism for redistribution, with „the vast bulk of the budget" devoted to agriculture and regional development. Without losing sight of these policy areas, the Commission redefines the budget as a strategic tool for addressing long-term systemic challenges as it „ensures Europe's agency in a fast-changing world", „matches Europe's ambition", and „strengthens our independence".[41] These ambitions are now to be operationalized through increased flexibility[42] „to adapt our funding to new realities"[43] and crisis response to boost „Europe's ability to act and react", and allocation of means to emerging priorities (competitiveness and industrial policy, security and defence, external action, migration)[44].

The examination of the current positions on the future of MFF suggest a number of possible avenues by which the polycrisis, operationalized as previously discussed, through five interrelated dimensions identified based on the scholarly literature and the reports that have structured the present empirical analysis: (1) security and geopolitical threat; (2) economic fragility and productivity weakness; (3) energy-climate-industrial stress; (4) social vulnerability; and (5) governance shortcomings has shaped the European Commission proposal. They represent significant turning points in the long-standing approach to the EU's long-term budget and are expected to shape the way in which the new budget's ambitions will bring about major changes to the EU's governance structures.

As far as the security and geopolitical threat are concerned, they form a central concern in Commission's considerations and fuel the need for „a budget that ensures Europe's agency in a fast-changing world."[45] Without explicitly mentioning the concept of strategic autonomy, Ursula von der Leyen refers the EU's ability to pursue its objectives and make policy choices without being constrained by external geopolitical developments or structural dependencies. At the same time, with direct reference to the Draghi report, European competi-

---

[39] von der Leyen, „Statement on the Next Long-Term EU Budget".

[40] Ibidem.

[41] Ibidem.

[42] Ursula von der Leyen. „Speech at the European Parliament plenary debate on the new 2028-2034 Multiannual Financial Framework: architecture and governance". Speech 25/2673. November 12, 2025. https://ec.europa.eu/commission/presscorner/api/files/.

[43] Ibidem.

[44] von der Leyen, „Statement on the Next Long-Term EU Budget".

[45] von der Leyen, „Speech at the European Parliament plenary debate on the new 2028-2034 MFF".

tiveness is mentioned as a strategic priority that the European Commission is bound to weigh up[46]. The budget is expected to help Europe withstand geopolitical shocks, economic pressure, technological rivalry, and security crises. Next, with regard to Europe's economic fragility and productivity weakness, the Commission's positions contain a clear diagnosis of Europe's economic problems. From the Commissions perspective, Europe's main weakness is not a shortage of resources but an inability to mobilize investment at sufficient scale, speed, and strategic focus in a world of accelerating technological competition and geopolitical rivalry. The main challenges are framed as a combination of underinvestment, fragmented investment capacity, productivity weaknesses, and the risk of falling behind in strategic technologies whereas the solutions identified have explicit reference to the Draghi report[47]. Further on, in the current MFF debates, the Commission's discourse on climate resilience, energy security and industrial strength shifts from the earlier narrower Grean Deal narrative of a „competitive clean industry" toward treating them as mutually reinforcing pillars of European economic and geopolitical power. Industry is arguably the strongest recurring theme in the discourse on the future long-term budget picturing Europe's manufacturing capacity, technology leadership and industrial competitiveness as key elements of Europe's ability to act in a contested world[48]. Thereafter, social vulnerability is not primarily framed as deprivation (poverty, unemployment, social exclusion, inequality etc.), but as exposure to economic, territorial, climatic and geopolitical shocks for households, communities or entire regions[49]. The proposed policy response is therefore centred on resilience, cohesion, social investment, and protection of the European social model rather than on redistributive social policy alone. Last but not least, as far as the current governance structures are concerned the president of the European Commission has repeatedly argued that Europe's problem is not only a lack of resources, but also the way the EU budget is governed. Many of her criticisms have been directed at governance arrangements that she considers too rigid, fragmented, complex, slow, and poorly adapted to a world of polycrisis, while the solution envisaged concerns a „simpler and more flexible" budget and „a new steering mechanism for our institutions to identify together the policy priorities in a structured dialogue."[50]

As such, the EU is quietly but profoundly reshaping one of its most important instruments: its long-term budget. Historically, the EU budget has been rooted in two core functions: supporting agricultural policy and fostering economic convergence through cohesion policy. These instruments reflected a logic of solidarity, of redistributing resources to reduce disparities between regions and

---

46 Ibidem.

47 Ibidem.

48 von der Leyen, „Statement on the Next Long-Term EU Budget".

49 Ibidem; von der Leyen, „Speech at the European Parliament plenary debate on the new 2028-2034 MFF".

50 von der Leyen, „Speech at the European Parliament plenary debate on the new 2028-2034 MFF".

Member States. Today, however, this logic is evolving. The EU budget is becoming a more flexible and strategic instrument, designed to respond to crises and anticipate future risks. New priorities such as security, defence, resilience, and the green and digital transitions are reshaping spending patterns. The budget is no longer just about balancing regional inequalities; it is about strengthening the Union's capacity to act in an increasingly volatile global environment. For the EU, resilience has become a central concept in navigating global systemic transformations. It encompasses not only economic robustness but also institutional stability, social cohesion, and the capacity to absorb and adapt to shocks. The EU budget is being redesigned accordingly through greater flexibility, by allowing funds to be redirected quickly in response to emerging crises, the creation and/or consolidation of crisis-response instruments, and an increased investment in areas critical to resilience, such as energy security, infrastructure, and technological capacity.

The ongoing negotiations on the post2027 Multiannual Financial Framework (MFF) reveal a shift that goes beyond technical adjustments. At stake is a redefinition of the EU budget as a tool not only for redistribution and investment, but increasingly for risk management, crisis resilience, and strategic governance. This evolving architecture has significant implications for the balance of power within the EU as it could lead to more technocratic and less visible forms of governance. While this may enhance the EU's capacity to act strategically, it can also raise concerns among Member States about sovereignty and political control. The EU budget is thus becoming a site of intensified political negotiation, where questions of funding are inseparable from questions of governance and authority. Tensions are particularly visible in debates over the design of new financial instruments, the introduction of new EU „own resources", the role of national parliaments and the European Parliament in overseeing these transformations.

Conclusions

The EU's budgetary framework is undergoing a significant transformation in response to an increasingly volatile and uncertain global environment. The convergence of geopolitical instability, climate change, economic fragmentation, and migration pressures has generated what scholars describe as a condition of polycrisis. Within this context, the EU is redefining the role of its long-term budget - the Multiannual Financial Framework (MFF) - as a central instrument of risk governance and resilience-building. This shift is particularly visible in the ongoing discussions on the post 2027 MFF, which signal a departure from the traditional redistributive logic of EU spending toward a more strategic and conditional model of budgetary governance.

The current positions on the future MFF indicate that the polycrisis has significantly influenced the discourse surrounding the future MFF. Nevertheless, the transformation of the EU budget reflects a broader shift in European integration, a transition toward a model of governance that emphasizes resilience and strategic coordination. While this evolution enhances the EU's capacity to act

collectively and its response to crises, it also introduces new tensions between solidarity and control, flexibility and accountability, and supranational authority and national sovereignty. Ultimately, the future of EU budgetary governance will depend on how these tensions are managed - and on whether the new budgetary innovations can be reconciled with the foundational principles of cohesion and democratic legitimacy.

References

1. Barbier-Gauchard, Amélie, and Alexandre Simon. „The European Union at the Test of Economic Crisis: How Has the EU Budget 2021-2027 Adapted?“ In *The Changing Topography of EU Administration*, edited by Didier Georgakakis, 313-324. European Administrative Governance. Cham: Palgrave Macmillan, 2024. https://doi.org/10.1007/978-3-031-64695-9_14.
2. Begg, Iain. „The EU's Increasingly Complex Finances: A Ticking Bomb?“ *EconPol Forum* 24, no. 4 (2023): 16-20. https://hdl.handle.net/10419/279975.
3. Börzel, Tanja A. „From EU Governance of Crisis to Crisis of EU Governance: Regulatory Failure, Redistributive Conflict and Eurosceptic Publics“. *Journal of Common Market Studies* 54 (2016): 8-31. https://doi.org/10.1111/jcms.12431.
4. Bouabdallah, Othman, Ettore Dorrucci, Leendert Hoendervangers, and Carolin Nerlich. „Mind the Gap: Europe's Strategic Investment Needs and How to Support Them“. *ECB Blog*, June 27, 2024. https://www.ecb.europa.eu/press/blog/date/2024/html/ecb.blog240627~2e939aa430.en.html.
5. Bouabdallah, Othman, Ettore Dorrucci, Carolin Nerlich, Christiane Nickel, and Aurelian Vlad. „Time to be strategic: how public money could power Europe's green, digital and defence transitions“. *ECB Blog*, July 25, 2025. https://www.ecb.europa.eu/press/blog/date/2025/html/ecb.blog20250725~f26b4ef0f3.en.html.
6. Bressanelli, Edoardo, and David Natali. „Tested by the Polycrisis: Reforming or Transforming the EU?“ *Politics and Governance* 11, no. 4 (2023): 246-251. https://doi.org/10.17645/pag.v11i4.7894.
7. Cataldo, Francesca, Christine Redecker, Elena Montanari, Ioannis Galariotis, Henk Greidanus, and Charles Quйtel. *Rethinking Societal Resilience in a Time of Polycrisis*. JRC 142772. Luxembourg: European Commission, Joint Research Centre, 2025.
8. Council of the European Union. *Multiannual Financial Framework (MFF) 2028-2034 - Draft Negotiating Box*. Document 16344/25. Brussels, December 9, 2025. https://data.consilium.europa.eu/doc/document/ST-16344-2025-INIT/en/pdf.
9. Council of the European Union. Analysis and Research Team. *Forward Look 2026: Playing by New Rules?* Brussels: Council of the European Union, 2026. https://www.consilium.europa.eu.
10. De Sanctis, Alessandro, Roberto De Santis, Daniel Kapp, and Federico Vinci. „Unlocking Private Investment and Boosting Productivity with EU Programmes.“ *ECB Blog*, November 20, 2025. https://www.ecb.europa.eu/press/blog/date/2025/html/ecb.blog20251120~e0ecdcf648.en.html.
11. Draghi, Mario. *The Future of European Competitiveness: A Competitiveness Strategy for Europe*. Brussels: European Commission, 2024. https://commission.europa.eu.

12. European Commission. *A Dynamic EU Budget for the Priorities of the Future - The Multiannual Financial Framework 2028-2034*. COM(2025) 570 final. Brussels, July 16, 2025. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52025SC0570R(01).

13. European Commission. *Proposal for a Council Regulation Laying Down the Multiannual Financial Framework for the Years 2028 to 2034*. COM(2025) 571 final. Brussels, July 16, 2025. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52025PC0571.

14. European Commission. *An Ambitious Budget for a Stronger Europe: 2028-2034*. Press Release IP/25/1847. Brussels, July 16, 2025. https://ec.europa.eu/commission/presscorner/detail/en/ip_25_1847.

15. European Parliament. *European Parliament Resolution of 28 April 2026 on the Proposal for a Council Regulation Laying Down the Multiannual Financial Framework for the Years 2028 to 2034*. P10_TA(2026)0111. Strasbourg/Brussels, April 28, 2026. https://www.europarl.europa.eu/doceo/document/TA-10-2026-0111_RO.pdf.

16. Ferrera, Maurizio, Hanspeter Kriesi, and Waltraud Schelkle. „Maintaining the EU's Compound Polity during the Long Crisis Decade". *Journal of European Public Policy* 31, no. 3 (2023): 706-728. https://doi.org/10.1080/13501763.2023.2165698.

17. Jones, Erik, R. Daniel Kelemen, and Sophie Meunier. „Failing Forward? Crises and Patterns of European Integration". *Journal of European Public Policy* 28, no. 10 (2021): 1519-1536. https://doi.org/10.1080/13501763.2021.1954068.

18. Juncker, Jean-Claude. „Speech at the Annual General Meeting of the Hellenic Federation of Enterprises". Speech, 16/2293. June 21, 2016. https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_16_2293.

19. Kamkhaji, Jonathan, and Claudio M. Radaelli. „Crisis, Learning and Policy Change in the European Union". *Journal of European Public Policy* 24, no. 5 (2017): 714-734. https://doi.org/10.1080/13501763.2016.1164744.

20. Laffan, Brigid. „Europe's Union in Crisis: Tested and Contested". *West European Politics* 39, no. 5 (2016): 915-932. https://doi.org/10.1080/01402382.2016.1186387.

21. Laffan, Brigid. *Europe's Union in the 21st Century: From Decision Trap to Politics Trap*. RSC 2021/67. Florence: Robert Schuman Centre for Advanced Studies, 2021. https://doi.org/10.2139/ssrn.3914033.

22. Laffan, Brigid. „Collective Power Europe? The Government and Opposition/Leonard Schapiro Lecture 2022". *Government and Opposition* 58, no. 4 (2023): 623-640. https://doi.org/10.1017/gov.2022.52.

23. Lappe, Moritz S., and David Pinkus. *Plugging Europe's Investment Gap: Understanding the Potential of Leveraging Institutional Investors*. Bruegel Working Paper no. 17/2025. Brussels: Bruegel, 2025. https://www.bruegel.org/working-paper/plugging-europes-investment-gap-understanding-potential-leveraging-institutional.

24. Lawrence, Michael, Scott Janzwood, and Thomas Homer-Dixon. *What Is a Global Polycrisis? And How Is It Different from a Systemic Risk?* Discussion Paper 2022-4, Version 2.0. Cascade Institute, 2022. https://cascadeinstitute.org/technical-paper/what-is-a-globalpolycrisis/.

25. Letta, Enrico. *Much More than a Market: Speed, Security, Solidarity. Empowering the Single Market to Deliver a Sustainable Future and Prosperity for All EU Citizens*. Report to the European Council. Brussels: European Council, 2024. https://www.consilium.europa.eu.

26. Morin, Edgar, and Anne Brigitte Kern. *Homeland Earth: A Manifesto for the New Millennium*. Translated by Anne Brigitte Kern. Advances in Systems Theory, Complexity, and the Human Sciences. Cresskill, NJ: Hampton Press, 1999. Originally published as *Terre-Patrie*, 1993.

27. Nicoli, Francesco, and Jonathan Zeitlin. „Introduction: Escaping the Politics Trap? EU Integration Pathways beyond the Polycrisis". *Journal of European Public Policy* 31, no. 10 (2024): 3011-3035. https://doi.org/10.1080/13501763.2024.2366395.

28. OECD. *OECD Economic Surveys: European Union and Euro Area 2025*. Paris: OECD Publishing, 2025. https://doi.org/10.1787/5ec8dcc2-en.

29. Pari, Marianna, and Stéphanie Pradier. „EU Budget 2028-2034: Overview of the Commission's Proposal". European Parliamentary Research Service (EPRS), September 2025. PE 775.885. https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/775885/EPRS_BRI(2025)775885_EN.pdf.

30. Peters, Tim, and Elena Bersani. „EU Long Term Budget: European Parliament Adopts Interim Report Calling for a Significantly More Ambitious 2028-2034 Multiannual Financial Framework". EPRS Blog, May 6, 2026. https://epthinktank.eu/2026/05/06/eu-long-term-budget-european-parliament-adopts-interim-report-calling-for-a-significantly-more-ambitious-2028-2034-multiannual-financial-framework/.

31. Rhinard, Mark, Neill Nugent, and William Paterson, Eds. *Crises and Challenges for the European Union*. London: Bloomsbury, 2023.

32. Schimmelfennig, Frank. „Polity Attacks and Policy Failures: The EU Polycrisis and Integration Theory". In *The EU under Strain? Current Crises Shaping European Union Politics*, edited by Daniel Schade and Mechthild Roos, 27-50. Berlin: De Gruyter, 2023.

33. Schimmelfennig, Frank. „Crisis and Polity Formation in the European Union". *Journal of European Public Policy* 31, no. 10 (2024): 3396-3420. https://doi.org/10.1080/13501763.2024.2313107.

34. Tooze, Adam. „Welcome to the World of the Polycrisis". *Financial Times*, October 28, 2022. https://www.ft.com/content/498398e7-11b1-494b-9cd3-6d669dc3de33.

35. von der Leyen, Ursula. „Statement on the Next Long-Term EU Budget". Statement 25/1851. July 16, 2025. https://ec.europa.eu/commission/presscorner/api/files/document/print/cs/statement_25_1851/STATEMENT_25_1851_EN.pdf.

36. von der Leyen, Ursula. „Speech at the European Parliament plenary debate on the new 2028-2034 Multiannual Financial Framework: architecture and governance". Speech 25/2673. November 12, 2025. https://ec.europa.eu/commission/presscorner/api/files/document/print/en/speech_25_2673/SPEECH_25_2673_EN.pdf.

37. Zeitlin, Jonathan, Francesco Nicoli, and Brigid Laffan. „Introduction: The European Union beyond the Polycrisis? Integration and Politicization in an Age of Shifting Cleavages". *Journal of European Public Policy* 26, no. 7 (2019): 963-976. https://doi.org/10.1080/13501763.2019.1619803.

THE ECONOMIC ROLE OF EU-INDIA TRADE RELATIONS IN EUROPE'S POST-CRISIS RECOVERY

Assist. Prof., PhD Roksana Trifonova
European Studies Department, Faculty of Philosophy,
SU „St. Kliment Ohridksi"

Abstract

Recent global disruptions, including the COVID-19 pandemic, the Russian-Ukrainian war, escalating instability in the Middle East, and growing geoeconomic rivalry have exposed structural vulnerabilities in European supply chains and intensified debates on economic resilience within the European Union. Increasing protectionism in global trade, particularly the renewed tariff-based trade policy of the United States, including universal import tariffs and coercive trade measures linked to geopolitical disputes such as Greenland and Venezuelan energy trade, has further contributed to uncertainty in the international economic environment.

In this context, the strengthening of trade relations between the EU and India emerges as an important strategic instrument for diversifying economic partnerships and reconfiguring global value chains. This paper examines the economic implications of ongoing EU-India trade negotiations for Europe's post-crisis recovery, focusing on supply-chain diversification, reduced dependence on concentrated external markets, and competitiveness in sectors such as manufacturing, pharmaceuticals, and green technologies.

The study also evaluates risks related to regulatory divergence and asymmetric market access. It argues that deeper EU-India trade cooperation can enhance European economic resilience and support sustainable growth amid increasing fragmentation of the global trading system.

Keywords: International trade, EU, India, relations

Introduction

The period between 2020 and 2026 has been marked by an unprecedented sequence of global economic disruptions that fundamentally reshaped the dynamics of international trade and global value chains. The outbreak of the COVID-19 pandemic in early 2020 triggered one of the sharpest contractions in global economic activity since the Second World War. Lockdowns, border closu-

res, restrictions on mobility and disruptions in industrial production severely affected international logistics and exposed the vulnerability of highly concentrated supply chains. Shortages of semiconductors, medical equipment, pharmaceuticals, and industrial inputs demonstrated the risks associated with excessive dependence on limited production hubs. At the same time, rising transportation costs and declining trade predictability accelerated discussions regarding economic resilience, strategic autonomy and the diversification of external economic partnerships across major economies, particularly within the European Union.

The post-pandemic recovery was further complicated by the outbreak of the Russian aggression against Ukraine that started in 2022, which generated profound consequences for European trade and energy markets. The conflict disrupted commodity flows, intensified inflationary pressures and created significant uncertainty in sectors heavily dependent on energy imports and raw materials. Europe experienced severe increases in natural gas and electricity prices, while sanctions, countersanctions, and restrictions on maritime transport contributed to additional fragmentation within the global trading system. The war also accelerated the reconfiguration of supply chains away from geographically concentrated and politically sensitive regions. As a result, European industries increasingly sought alternative suppliers and new strategic markets capable of supporting industrial stability, technological competitiveness, and long-term economic recovery.

Simultaneously, growing geopolitical instability in the Middle East and escalating tensions involving Iran further increased volatility in international trade routes and energy markets. Repeated disruptions affecting maritime transport corridors, particularly around the Red Sea and adjacent shipping routes, generated additional logistical costs and delays for European and Asian trade. These developments coincided with a broader trend toward geoeconomic rivalry among major powers, where trade policy became increasingly connected to questions of national security, industrial policy and technological sovereignty. In this environment, global trade gradually shifted away from the highly liberalised and efficiency-oriented model that characterised previous decades toward a more fragmented system emphasising resilience, regionalisation, and strategic diversification.

An additional source of uncertainty emerged from the renewed protectionist orientation of the United States under the trade policies associated with President Donald Trump. The reintroduction of tariff-based measures, broader import restrictions and the increasing use of economic instruments for geopolitical leverage contributed to instability within the global trading environment. These policies affected transatlantic economic relations and intensified concerns regarding the future of multilateral trade governance. The growing use of tariffs, industrial subsidies, and coercive trade mechanisms by major global actors revived the long-standing debate between free trade and protectionism. For export-oriented economies such as those of the European Union, these developments reinforced the necessity of securing stable external partnerships and reducing dependence on politically volatile economic relationships.

Against this background, the European Union has continued to position itself as one of the principal defenders of open and rules-based international trade. The EU increasingly views free trade agreements not only as economic instruments for market access, but also as strategic mechanisms for strengthening supply-chain resilience, supporting competitiveness and diversifying external economic relations. In this context, the ongoing and recently concluded negotiations between the European Union and India acquire particular importance. India's rapidly expanding economy, growing industrial capacity, and strategic position within global production networks make it an increasingly significant partner for Europe's long-term economic strategy. Therefore, the present article focuses on the economic role of EU – India trade relations and examines how deeper bilateral trade cooperation may contribute to Europe's post-crisis recovery in an increasingly fragmented global economy.

The European Union's Economic Positioning in Asia (2020-2026)

Between 2020 and 2026, the European Union significantly intensified its economic engagement with Asia, largely as a response to the growing instability of the global trading environment. The COVID-19 pandemic exposed the structural vulnerabilities of global supply chains, particularly the risks associated with excessive dependence on geographically concentrated manufacturing hubs. Lockdowns in East and Southeast Asia disrupted industrial production, maritime transport, and the availability of strategic goods, including semiconductors, pharmaceuticals, and industrial components. As a result, the EU increasingly shifted its trade policy toward diversification, resilience, and the strengthening of economic partnerships across the broader Indo-Pacific region. This transformation reflected not only economic necessity, but also the recognition that Asia would remain the central engine of global growth during the post-pandemic recovery period.

The strategic repositioning of the EU in Asia became institutionally visible through the adoption of the EU Strategy for Cooperation in the Indo-Pacific in 2021.[1] The strategy emphasised open trade, supply-chain diversification, connectivity and technological cooperation as central pillars of European external economic policy. Although geopolitical considerations were present, the primary objective remained economic: securing stable access to markets, raw materials, digital infrastructure and industrial partnerships. The European Union increasingly viewed Asia not simply as a production base, but as a strategic economic space essential for long-term European competitiveness and industrial transformation.[2]

---

[1] On 19 April 2021, the Council adopted conclusions on an EU Strategy for cooperation in the Indo-Pacific. As a follow-up to the Council conclusions, the Commission and the High Representative presented a Joint Communication on the EU's Indo-Pacific Strategy on 16 September 2021.

[2] Council of the EU. Press release 282/21 19/04/2021, Indo-Pacific: Council adopts conclusions on EU strategy for cooperation, available at: https://www.consilium.europa.eu/en/press/press-releases/2021/04/19/indo-pacific-council-adopts-conclusions-on-eu-strategy-for-cooperation/pdf/, last visited: 23.05.2026

Trade data during this period further confirmed the growing importance of Asia for the European economy. According to Eurostat[3, 4] and WTO data, China remained the EU's largest trading partner in goods for several consecutive years, while ASEAN economies and India expanded their role in European external trade. However, the EU simultaneously sought to reduce strategic dependencies linked to critical technologies, rare earths and industrial inputs. This led to the acceleration of negotiations and agreements with several Indo-Pacific partners, including Australia, Indonesia, the Philippines, and India. The EU's trade policy gradually evolved from a predominantly liberal market-oriented framework toward a hybrid model combining openness with elements of economic security and strategic autonomy. This shift became particularly visible in sectors connected to green technologies, energy transition and digital infrastructure.

At the same time, the European Union faced increasing external pressure from the broader fragmentation of the global trading system. The resurgence of protectionist measures in the United States, combined with rising economic rivalry between Washington and Beijing, created significant uncertainty for export-oriented European industries. Additionally, disruptions in maritime routes linked to instability in the Middle East and the Red Sea increased transportation costs and logistical risks for Europe-Asia trade flows. These developments reinforced the EU's perception that deeper economic engagement with multiple Asian partners[5] was necessary to ensure supply-chain resilience and maintain competitiveness in global markets. Consequently, free trade agreements became one of the principal instruments through which the EU attempted to secure stable long-term economic relations in Asia.[6]

Within this broader strategic framework, India gradually emerged as one of the EU's most important potential economic partners in Asia. Its large domestic market, rapidly growing industrial base, demographic advantages and expanding role in global supply chains increasingly positioned the country as a key actor in the evolving architecture of international trade. Consequently, EU□India trade negotiations acquired growing strategic significance not only for bilateral economic relations, but also for the broader European objective

---

[3] Eurostat, EU trade in goods with China: Less deficit in 2023, available at: https://ec.europa.eu/eurostat/web/products-eurostat-news, last visited: 23.05.2026

[4] Eurostat, Slight decline in imports and exports from China in 2024, available at: https://ec.europa.eu/eurostat/web/products-eurostat-news, last visited: 23.05.2026

[5] European Commission, Making trade policy, available at: https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/making-trade-policy_en, last visited: 23.05.2026

[6] It should be noted that the Russian Federation is not included as a primary object of analysis within the present study. The military conflict in Ukraine, together with the subsequent sanctions regime imposed by the European Union and its partners, fundamentally transformed EU-Russia economic relations and redirected the overall structure of European external trade. Due to the complexity and specificity of these developments, the economic consequences of sanctions, energy dependence and the restructuring of EU - Russia trade relations are examined separately in other academic works by the author. Consequently, the present article focuses primarily on the European Union's trade diversification strategy in Asia, with particular emphasis on India as an emerging strategic economic partner.

of diversifying its economic presence in Asia and strengthening resilience within an increasingly fragmented global economy.

India's Rising Role in the Global Trading System

During the period between 2020 and 2026, India substantially strengthened its position within the global economy and increasingly emerged as one of the leading economic powers of the Indo-Pacific region.[7] Despite the severe economic contraction caused by the COVID-19 pandemic in 2020, the Indian economy demonstrated relatively rapid recovery dynamics compared to many other major economies. Supported by domestic consumption, digital transformation, industrial expansion and public investment in infrastructure, India became one of the fastest-growing large economies in the world. According to World Bank estimates,[8] India consistently maintained high GDP growth rates during the post-pandemic recovery period, reinforcing international perceptions of the country as a long-term driver of global economic growth.

A central factor behind India's growing economic influence was its increasing integration into global manufacturing and supply chains. The disruptions caused by the pandemic and the broader geopolitical tensions between the United States and China encouraged multinational corporations to diversify production networks beyond East Asia. India benefited from this trend through initiatives aimed at expanding domestic industrial production, attracting foreign direct investment and strengthening strategic sectors such as pharmaceuticals, electronics, information technologies, renewable energy, and semiconductors. In particular, India's pharmaceutical industry gained global importance during and after the pandemic due to its large-scale production capacity and role in supplying medical products and vaccines to international markets.[9]

India's growing importance was also reflected in the expansion of its international trade relations. According to WTO and World Bank data, Indian merchandise exports increased significantly after 2021, while the country simultaneously deepened its economic partnerships with both developed and emerging economies. New trade negotiations with the European Union, the United Kingdom, and several Indo-Pacific partners illustrated India's increasing role within the restructuring of global trade networks.[10] Moreover, India's participation in infrastructure and connectivity initiatives strengthened its position as a strategic hub connecting

---

[7] World bank Group, India Remains Among the Fastest-Growing Economies Even As Growth Slows Amid Middle East Conflict; Outlook Vulnerable to Risks and Uncertainty, available at: https://www.worldbank.org/en/news/press-release/2026/04/09/india-remains-among-the-fastest-growing-economies, last visited: 24.05.2026

[8] Ibid.

[9] World trade organization, COVID-19 and world trade, available at: https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm, last visited: 24.05.2026

[10] World Bank official website. By the numbers: India. Available at: https://www.worldbank.org/ext/en/country/india, last visited: 24.05.2026

Europe, the Middle East and Asia. This development became particularly important in the context of growing concerns regarding supply-chain security and the need for alternative production and transit corridors.

At the same time, India's rise as an economic power was accompanied by broader geopolitical implications. The country increasingly pursued a strategy balancing economic openness with strategic autonomy, allowing it to maintain economic relations with multiple global actors simultaneously.[11] This approach enhanced India's attractiveness as a partner for the European Union, particularly at a time when Europe sought to reduce excessive dependencies on single external markets. Furthermore, India's large consumer market, expanding middle class and ambitious green transition policies created substantial opportunities for European companies in sectors such as digital services, renewable energy, sustainable infrastructure and advanced manufacturing. Nevertheless, challenges related to regulatory barriers, tariff structures, and market access continued to complicate trade negotiations between the two sides.

Against this background, the EU-India trade relationship increasingly evolved beyond a conventional bilateral economic partnership into a broader strategic economic project. For the European Union, cooperation with India represented an opportunity to diversify supply chains, strengthen economic resilience and expand its presence in one of the fastest-growing regions of the global economy. For India, closer economic ties with Europe offered access to technology, investment and high-value export markets. Consequently, the ongoing free trade negotiations between the EU and India acquired growing importance within the wider transformation of the international trading system after 2020.

The Economic Role of EU - India Trade Relations in Europe's Post-Crisis Recovery

The evolving trade relationship between the European Union and India increasingly occupies a central position within Europe's broader strategy for post-crisis economic recovery and supply-chain diversification. Following the disruptions caused by the COVID-19 pandemic, the Russian aggression against Ukraine, instability in the Middle East and the resurgence of protectionist measures in global trade, the EU intensified efforts to secure stable and diversified economic partnerships outside its traditional dependency structures. In this context, India emerged as a particularly attractive partner due to its large domestic market, expanding industrial base, demographic potential and strategic location within the Indo-Pacific region. Consequently, the relaunch of negotiations on a comprehensive EU-India Free Trade Agreement in 2022 reflected not only commercial interests, but also the growing strategic importance of bilateral economic cooperation for long-term European resilience.[12]

---

[11] Ibid.

[12] European Commission, The EU-India trade agreement. Available at: https://commission.europa.eu/topics/trade/eu-india-trade-agreement. Last visited: 25.05.2026

From an economic perspective, deeper trade liberalisation between the EU and India could generate significant benefits for both sides. The European Union is already one of India's largest trading partners, while India has become an increasingly important export destination for European industrial goods, machinery, pharmaceuticals, chemicals, automobiles and technological services. According to Eurostat data, bilateral trade in goods between the EU and India exceeded €120 billion in recent years, demonstrating strong growth dynamics despite global economic instability.[13] For the European Union, improved access to the Indian market would provide important opportunities for export expansion, investment diversification and participation in rapidly growing sectors connected to digital technologies, renewable energy, infrastructure, and green industrial transformation. Simultaneously, European companies increasingly perceive India as a potential alternative manufacturing hub capable of partially reducing excessive dependence on concentrated production networks in East Asia.

Another important dimension of EU-India economic cooperation concerns supply-chain resilience and strategic diversification. The crises of the period after 2020 demonstrated that excessive concentration of production and logistics capacities within limited geographical areas can generate substantial economic vulnerabilities. As a result, the European Union increasingly adopted policies aimed at „de-risking" rather than complete decoupling from certain global markets.[14] Within this framework, India offers several comparative advantages, including a large labour force, expanding technological capacity, growing infrastructure investment and relatively stable macroeconomic growth. Strengthening trade relations with India may therefore contribute to greater flexibility and resilience within European supply chains, particularly in sectors such as pharmaceuticals, semiconductors, green technologies, rare industrial inputs and digital services.

Nevertheless, important structural and regulatory challenges continue to complicate negotiations between the two sides. Tariff barriers, differences in technical standards, public procurement rules, intellectual property protection and market access restrictions remain significant obstacles to the conclusion of a comprehensive agreement. Furthermore, India traditionally maintains a more cautious approach toward trade liberalisation in sensitive sectors connected to agriculture, manufacturing and domestic industrial protection. At the same time, the European Union increasingly incorporates sustainability, environmental standards, and labour regulations into its modern trade agreements, which occasionally creates tensions within negotiations. Despite these differences, both parties demonstrate growing political and economic willingness to

[13] European Commission, European Union, Trade in goods with India. Available at: https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_india_en.pdf, Last visited: 25.05.2026

[14] European Commission, Strategic foresight, available at: https://commission.europa.eu/strategy-and-policy/strategic-foresight_en, Last visited: 25.05.2026

advance the agreement due to the changing global economic environment and the increasing fragmentation of international trade.

Ultimately, the EU-India trade relationship reflects a broader transformation occurring within the global economic system after 2020. The shift from highly centralised globalisation toward diversified and resilience-oriented economic cooperation has elevated the strategic significance of partnerships between major democratic market economies. For the European Union, deeper economic integration with India represents not only a mechanism for increasing trade flows, but also a long-term instrument for strengthening competitiveness, securing industrial supply chains and supporting sustainable economic recovery in an increasingly uncertain international environment. In this sense, the prospective EU-India Free Trade Agreement from 2026, may become one of the most important components of Europe's evolving post-crisis economic strategy and a practical illustration of the EU's continued commitment to open and rules-based international trade.

The growing strategic significance of EU-India trade relations therefore demonstrates how contemporary free trade agreements increasingly extend beyond traditional tariff reduction and become instruments of economic security, resilience and geopolitical stabilisation. In the context of intensifying fragmentation within the international trading system, the partnership between the European Union and India reflects the broader attempt to preserve an open and predictable global economic order while simultaneously adapting to new structural risks and vulnerabilities.

Conclusion

The period between 2020 and 2026 fundamentally transformed the global economic environment and accelerated the reconfiguration of international trade relations. The COVID-19 pandemic, the Russian aggression against Ukraine, instability in the Middle East, disruptions in global supply chains and the resurgence of protectionist economic policies collectively exposed the structural vulnerabilities of highly interconnected global markets. These developments forced major economies, including the European Union, to reconsider the balance between economic efficiency, resilience and strategic autonomy. As a result, diversification of external partnerships and the strengthening of secure supply chains became central priorities within European economic policy.

Against this background, the European Union continued to position itself as one of the principal defenders of free and rules-based international trade. Rather than adopting a predominantly protectionist approach, the EU increasingly relied on free trade agreements as instruments for securing market access, enhancing competitiveness and reducing excessive dependencies on concentrated external partners. The broader European engagement in the Indo-Pacific region and the intensification of economic cooperation with emerging Asian economies illustrate this strategic orientation. Within this framework,

India gradually emerged as one of the most important long-term partners for the European Union due to its growing economic influence, industrial capacity, demographic advantages and expanding role within global value chains.

Consequently, the prospective EU-India Free Trade Agreement possesses significance extending beyond conventional bilateral trade liberalisation. The agreement may contribute to Europe's post-crisis economic recovery by supporting supply-chain diversification, strengthening industrial resilience and expanding cooperation in sectors connected to digital technologies, pharmaceuticals, renewable energy and sustainable development. At the same time, it symbolises the European Union's broader commitment to preserving open economic cooperation in an increasingly fragmented global economy. In this sense, the development of EU-India trade relations represents both an economic necessity and a strategic component of the European Union's long-term vision for sustainable growth and international economic stability.

References

1. Bywalec, Grzegorz. „Dynamics and Determinants of Trade Exchange between the European Union and India". Optimum. Economic Studies, 2020. Available at: https://optimum.uwb.edu.pl/index.php/osj/article/view/395/266.
2. Council of the European Union. „Indo-Pacific: Council Adopts Conclusions on EU Strategy for Cooperation". Press release 282/21, April 19, 2021. https://www.consilium.europa.eu/en/press/press-releases/2021/04/19/indo-pacific-council-adopts-conclusions-on-eu-strategy-for-cooperation/pdf/.
3. European Commission. „European Union, Trade in Goods with India". https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_india_en.pdf.
4. European Commission. „Making Trade Policy". https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/making-trade-policy_en.
5. European Commission. „Strategic Foresight". https://commission.europa.eu/strategy-and-policy/strategic-foresight_en.
6. European Commission. „The EU-India Trade Agreement". https://commission.europa.eu/topics/trade/eu-india-trade-agreement.
7. Eurostat. „EU Trade in Goods with China: Less Deficit in 2023". https://ec.europa.eu/eurostat/web/products-eurostat-news.
8. Leal-Arcas, Rafael. „India-EU Relations: Geopolitics, Energy and Trade". In Research Handbook on EU Energy Law and Policy. Edward Elgar Publishing, 2024. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4781263.
9. World Bank Group. „India Remains Among the Fastest-Growing Economies Even As Growth Slows Amid Middle East Conflict; Outlook Vulnerable to Risks and Uncertainty". April 9, 2026. https://www.worldbank.org/en/news/press-release/2026/04/09/india-remains-among-the-fastest-growing-economies.
10. World Bank. „By the Numbers: India". https://www.worldbank.org/ext/en/country/india.
11. World Trade Organization. „COVID-19 and World Trade". https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm.

3. P A N E L

RISKS AND PROSPECTS FOR EUROPE –

Security, Defence and Democratic Resilience

CONSTRUCTIVE AMBIGUITY AS INSTITUTIONAL DESIGN: ARTICLE 42(7) TEU AND THE LIMITS OF EU MUTUAL DEFENCE

Asst. Prof. Vihar Georgiev, PhD
European Studies Department,
Sofia University „St. Kliment Ohridski“
ORCID number: https://orcid.org/0000-0002-2496-4790

Abstract

Article 42(7) of the Treaty on European Union (TEU) appears to promise comprehensive mutual defence, obliging European Union (EU) member states to provide „aid and assistance by all the means in their power“ after armed aggression, yet it lacks any activation or verification procedure and EU coordination, funding, or enforcement architecture. This paper asks how this clause was designed and what its practical limits are. The paper combines doctrinal analysis of the text and its drafting context with a case study of the clause's only invocation (France, 2015) and post-2022 reform debates following Russia's full-scale invasion of Ukraine. The analysis finds that Treaty drafters relied on constructive ambiguity, achieving consensus by leaving core operational questions unresolved. When the clause was invoked by France in 2015 after the Paris terrorist attacks, the absence of institutional procedures delivered a bilateral, unevenly distributed response that was shaped more by the invoking state's diplomatic leverage than by any collective framework. The paper concludes that the same ambiguity that preserved consensus in peacetime becomes a vulnerability under the time pressure of armed conflict, and that credible EU collective defence requires adequate institutionalisation with democratic accountability.

Keywords: Article 42(7) TEU, mutual defence clause, constructive ambiguity, European collective defence, institutional design

1. Introduction

How should the European Union (EU) respond to an armed aggression against a member state? For a long time, this question was largely theoretical. However, the Russian invasion of Ukraine in 2022 and the ensuing deterioration of the security situation in Europe have put this question to the front of the

EU's political agenda[1]. Article 42(7) of the Treaty on European Union (TEU) requires every EU member state to provide „aid and assistance by all the means in their power" if another member state „is the victim of armed aggression on its territory." The gap between the ambition of the text and the lack of any operationalisation is the focus of this paper.

Existing scholarship has identified this operational gap but has not explained why the deficient design emerged or how it shapes outcomes after invocation. This paper argues that Article 42(7) TEU rests on six levels of constructive ambiguity, exposed by France's 2015 invocation and by post-2022 reform debates.

2. Constructive Ambiguity as Institutional Design: Theoretical Framework and Methodology

This section presents the outlines of the theoretical framework and methodology used to identify the design limitations and practical use of Art. 42(7) TEU.

2.1. Theoretical Framework

Constructive ambiguity, historically associated with diplomatic negotiations, is also used in international law and international relations to describe indeterminacy in treaty texts.[2,3] In institutional design, constructive ambiguity (or intentional ambiguity) refers to a deliberate choice by policy-makers, negotiators, and legislators to leave the precise legal meaning, triggers, or implementation procedures of a norm open-ended or undetermined.[4,5]

First, constructive ambiguity allows for the incorporation of politically salient and sensitive clauses in international treaties by using broad, undefined terms.[6,7] Second, at the national level, ambiguous institutional designs allow different governments to interpret the same common project, agreement or policy through the lens of their own national interests.[8] Third, by avoiding the automa-

---

1 Ester Herlin-Karnell, „EU Security, Collective Self-Defence, and Solidarity", in *The Depth and Size of the European Union in a Time of War: Interdisciplinary European Studies* (Springer Nature Switzerland, 2025), 49-66.

2 Michael Byers, „Still Agreeing to Disagree: International Security and Constructive Ambiguity", *Journal on the Use of Force and International Law*, May 2020, 1-24, https://doi.org/10.1080/20531702.2020.1761656.

3 L. Carl Brown and Aharon Klieman, „Constructive Ambiguity in Middle East Peace-Making", *Foreign Affairs* 78, no. 6 (1999): 157, https://doi.org/10.2307/20049588.

4 Sofiya Kartalova, *Ambiguity in EU Law: A Linguistic and Legal Analysis* (Routledge, 2022).

5 A. Mickonyté, „Obligation to Mutual Assistance under Article 42(7) TEU: The Conundrum of Intentional Ambiguity", *ICL Journal* 18, no. 2 (2024): 311-338, https://doi.org/10.1515/icl-2023-0001.

6 Byers, „Still Agreeing to Disagree".

7 Mickonyté, „Obligation to Mutual Assistance".

8 Francois Heisbourg, „Europe's Strategic Ambitions: The Limits of Ambiguity", *Survival* 42, no. 2 (2000): 5-15, https://doi.org/10.1080/713660177.

ticity of implementation, ambiguity provides considerable leeway for individual state discretion once a norm is invoked.[9,10] Fourth, ambiguity about the severity threshold for collective action keeps adversaries uncertain about the nature of any response.[11] Fifth, over-reliance on ambiguity can lead to a capability-expectations gap or result in strategies that are obsolete from the outset because they fail to define precisely the objectives of the actor/institution/policy.[12, 13, 14] Sixth, ambiguity may be constructive in the beginning, but not necessarily at the moment of implementation.[15]

From this framework follows a testable prediction: wherever constructive ambiguity is used to secure consensus, invocation of the clause channels the response through bilateral diplomacy and ad hoc coordination, making outcomes dependent on the invoking state's diplomatic weight rather than predetermined collective commitments. This produces a least-common-denominator response, particularly in acute crises. Three modalities can somewhat improve the quality of response: (i) member states have sufficiently consensual views and preferences in the particular case; (ii) there were enough precedents in the past to guide member states' responses, or (iii) secondary EU legislation subsequently develops an institutionalised procedure for the invocation of the clause. In the sections below, the empirical evidence is assessed against those conditions to assess the current level of readiness of the EU member states and institutions to respond to an invocation of Art. 42(7).

2.2. Methodology

Section 3 applies doctrinal analysis following Articles 31-33 of the Vienna Convention on the Law of Treaties.[16] Primary sources include the Working Group VIII proceedings[17], member state position papers, the Constitutional

---

9 Mickonyté, „Obligation to Mutual Assistance".

10 Federica Fazio, „The EU's Mutual Defence Clause: Legal and Strategic Considerations on Article 42 (7) TEU in Light of the War in Ukraine", *Nordic Journal of European Law* 8, no. 3 (2025): 1-30, https://doi.org/10.36969/njel.v8i3.28035.

11 Bob Deen, Dick Zandee, and Adája Stoetman, *Uncharted and Uncomfortable in European Defence: The EU's Mutual Assistance Clause of Article 42 (7)* (Clingendael Institute, 2022).

12 Deen, Zandee, and Stoetman, *Uncharted and Uncomfortable in European Defence*.

13 Davide Genini, „How the War in Ukraine Has Transformed the EU's Common Foreign and Security Policy", *Yearbook of European Law* (2025), https://doi.org/10.1093/yel/yeaf003.

14 Antoaneta L. Dimitrova, Seda Gürkan, and Joachim Koops, „Stuck on the Stairway of Change: The EU's Enlargement and Security and Defence Policies Post 2022", *West European Politics*, August 2025, 1-27, https://doi.org/10.1080/01402382.2025.2539010.

15 Luca Raineri and Francesco Strazzari, „Dissecting the EU Response to the 'Migration Crisis", in *The EU as Crisis Response*, ed. R. Mac Ginty, S. Pogodda, and O. P. Richmond (Manchester University Press, 2021).

16 Ulf Linderfalk, *On the Interpretation of Treaties: The Modern International Law as Expressed in the 1969 Vienna Convention on the Law of Treaties*, vol. 83 (Springer Science & Business Media, 2007).

17 Final report of Working Group VIII - Defence. CONV 461/02. Brussels, 16 December 2002.

Treaty text[18], and accounts of the 2003-2004 Intergovernmental Conference negotiations. The key contribution of this analysis is to examine the interaction between the legal formulation of Art. 42(7) and its institutional and policy implications.

Section 4.1. applies a critical case study design[19] to the 2015 invocation by France of Art. 42(7). As the only available case, it identifies plausible mechanisms for invocation of Art. 42(7) TEU.

Section 4.2. uses a revealed preferences methodology.[20, 21] Reform proposals are assessed as behavioural evidence of perceived structural deficiencies in EU's common foreign, security and defence policy (CFSDP), revealed and intensified by the crisis conditions after Russia's invasion of Ukraine.[22, 23]

3. The Architecture of Ambiguity: Drafting History, Text, and Structural Design of Article 42(7) TEU

Historically, Art. 42(7) TEU was introduced in the Treaty Establishing a Constitution for Europe (TCE) as a response to the partial integration of Western European Union bodies in the EU's institutional architecture and the need to address the issue of mutual defence.[24] Article V of the Modified Brussels Treaty[25] required parties to provide „all the military and other aid and assistance in their power" after an „armed attack in Europe".

The need to incorporate the mutual defence clause during the Convention on the Future of Europe was debated in Working Group VIII on Defence. Three groups of opinions were evident in the discussions. The first group, including France, Germany, Belgium, Luxembourg, and Spain, proposed a

---

[18] Treaty establishing a Constitution for Europe. OJ C 310, 16.12.2004, pp. 1-474.

[19] John Gerring, „What Is a Case Study and What Is It Good For?", *American Political Science Review* 98, no. 2 (2004): 341-54, https://doi.org/10.1017/S0003055404001182.

[20] Andrew Moravcsik, *The Choice for Europe* (Cornell University Press, 1998).

[21] Jeffry A. Frieden, „Actors and Preferences in International Relations", in *Strategic Choice and International Relations* (1999), 39-76.

[22] Stéphanie Pézard et al., *European Relations with Russia: Threat Perceptions, Responses, and Strategies in the Wake of the Ukrainian Crisis* (RAND Corporation, 2017).

[23] Veronica Anghel and Erik Jones, „Is Europe Really Forged through Crisis? Pandemic EU and the Russia-Ukraine War", *Journal of European Public Policy* 30, no. 4 (2023): 766-86, https://doi.org/10.1080/13501763.2022.2140820.

[24] Elie Perot, „The Art of Commitments: NATO, the EU, and the Interplay between Law and Politics within Europe's Collective Defence Architecture," *European Security* 28, no. 1 (2019): 40-65, https://doi.org/10.1080/09662839.2019.1587746.

[25] The Treaty of Brussels was signed on 17 March 1948. The Treaty created the Western Union Defence Organization. It was amended by the Paris Agreements signed on 23 October 1954, and the organisation was renamed to Western European Union.

collective defence clause.[26] Another group of member states, including the United Kingdom, Poland, and most Central and Eastern European member states, argued that collective defence belonged to the North Atlantic Treaty Organisation (NATO) and that any EU mutual defence clause must not duplicate or compete with Art. 5 of the North Atlantic Treaty.[27] A third group of countries, including Austria, Finland, Ireland, and Sweden, considered such a mutual defence clause unacceptable due to their non-aligned status and political traditions of neutrality. The core issue was that Art. V of the Modified Brussels Treaty demanded automaticity of response, which was unacceptable to multiple groups for different reasons.[28, 29]

The final adopted text of Article I-41(7) in the Constitutional Treaty and its identical successor Art. 42(7) TEU represented a consensus base on six levels of constructive ambiguity. First, „armed attack" was replaced with „armed aggression", without elaborating further this term. Second, there is no procedure for the invocation of the clause, such as a decision of the Council of the EU. Invocation would be driven by the attacked member state and would not be contingent on any actions of EU institutions.[30, 31] Third, the clause introduces territorial ambiguity: it is not clear whether „its territory" includes Overseas Countries and Territories (OCTs), which are not part of the EU territory, or space-based assets and cyber infrastructure outside of a member state's territory.[32] Fourth, the formulation „shall have towards it an obligation of aid and assistance by all the means in their power" is not clear on whether the obligation is substantive (an obligation of result) or merely procedural (an obligation of effort). Additionally, this formulation allows member states to provide assistance that does not necessarily include combat troops or military infrastructure.[33] Fifth, the qualification „This shall not prejudice the specific character of the security and defence policy of certain Member States" does not define which countries are covered or what specific aid they are exempt from providing, leaving them with broad discretion after the invocation of the clause.[34, 35] Sixth, the text does not include any conse-

---

[26] Vanda Knowles and Silke Thomson-Pottebohm, „The UK, Germany and ESDP: Developments at the Convention and the IGC", *German Politics* 13, no. 4 (2004): 581-604, https://doi.org/10.1080/0964400042000343155.

[27] Knowles and Thomson-Pottebohm, „UK, Germany and ESDP".

[28] Mickonyté, „Obligation to Mutual Assistance".

[29] Fazio, „EU's Mutual Defence Clause".

[30] Mickonyté, „Obligation to Mutual Assistance".

[31] Fazio, „EU's Mutual Defence Clause".

[32] Fazio, „EU's Mutual Defence Clause".

[33] Mickonyté, „Obligation to Mutual Assistance."

[34] Deen, Zandee, and Stoetman, *Uncharted and Uncomfortable in European Defence*.

[35] J.F.R. Boddens Hosang and P.A.L. Ducheine, „Implementing Article 42.7 of the Treaty on European Union: Legal Foundations for Mutual Defence in the Face of Modern Threats", Amsterdam Law School Legal Studies Research Paper No. 2020-71; Amsterdam Center for International Law No. 2020-35 (Amsterdam Law School, 2020).

quences for non-compliance by any member state. As in other such cases in CFSDP, the fall-back mechanism would be the principles of solidarity and loyal cooperation[36]

On a structural level, Art. 42(7) TEU is situated in Section 2. Provisions on the Common Security and Defence Policy of Chapter 2. Specific Provisions on the Common Foreign and Security Policy. First, Art. 42(7) TEU operates in the shade of Art. 31 TEU – decisions are taken by the European Council and the Council acting unanimously, and no legislative acts can be adopted. The European Commission and the European Parliament are largely excluded from the decision-making process. Second, and in contrast with Art. 222 of the Treaty on the Functioning of the European Union (TFEU)[37], there is no obligation for EU institutions or the Union as a whole to mobilize in case of an armed aggression; the obligation of member states remains strictly intergovernmental.[38, 39, 40]

4. Ambiguity in Practice: Empirical Evidence

Section 4 examines two empirical episodes: France's 2015 invocation of Art. 42(7) TEU and the debates on operationalising mutual and collective defence after Russia's full-scale invasion of Ukraine in February 2022.

4.1. Ambiguity under Pressure: The 2015 Invocation by France

After the 13 November 2015 Paris attacks, which killed 131 people, President Hollande described the attacks as acts of war and announced his intention to invoke Article 42(7).[41] On November 17, 2015, during a previously scheduled Foreign Affairs Council meeting, Defence Minister Jean-Yves Le Drian formally requested assistance under Art. 42(7) TEU to support France's military engagement in Syria and Iraq.

The Council treated activation as bilateral rather than a CFSDP operation, which required no formal decision or conclusion.[42] Additionally, there was no verification of the „armed aggression" by any EU institution or body.

---

[36] Jenő Czuczai, „The Principle of Solidarity in the EU Legal Order - Some Practical Examples after Lisbon", in *The EU as a Global Actor - Bridging Legal Theory and Practice* (2017), 145-65, https://doi.org/10.1163/9789004347175_008.

[37] Consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union Consolidated version of the Treaty on European Union Consolidated version of the Treaty on the Functioning of the European Union. OJ C 202, 7.6.2016, pp. 1-388.

[38] Boddens Hosang and Ducheine, „Implementing Article 42.7".

[39] Mickonyté, „Obligation to Mutual Assistance".

[40] Fazio, „EU's Mutual Defence Clause".

[41] „16 November 2015 - François Hollande's Speech before a Joint Session of Parliament". France ONU. https://onu.delegfrance.org/Francois-Hollande-s-Speech-Before-a-Joint-Session-of-Parliament

[42] Outcome of the Council Meeting. 3426th Council meeting Foreign Affairs, Brussels, 16 and 17 November 2015. https://www.consilium.europa.eu/media/23101/st14120en15.pdf

France could have invoked Art. 5 of the North Atlantic Treaty (which is more relevant due to NATO's military capabilities) or Art. 222 TFEU (which is more naturally suited to a terrorist attack). However, France chose Art. 42(7) TEU for a number of reasons. First, France wanted to avoid the implication of Art. 222 TFEU that it lacked the capacity to manage the crisis autonomously.[43] Second, France sought to send a signal that Europe must assume greater responsibility for its own defence rather than relying exclusively on the United States and NATO.[44] Third, while Article 222 TFEU is primarily focused on assistance within EU territory, Article 42(7) allowed France to require support for its military operations in the Middle East and Africa.[45] Fourth, Art. 42(7) TEU's intergovernmental character allowed France to manage the response through bilateral channels.[46,47] Ironically, France chose Art. 42(7) TEU precisely for its flexibility, thus exposing the deficiencies of the clause.

Requests for assistance were communicated and organised through bilateral negotiations between France and individual member states.[48] France managed the process itself, approaching selected capitals with a specific list of needs. Some member states approved sales of military equipment to France, provided logistical support for air attacks, or agreed to increase the exchange of intelligence information.[49] Notably, there was no common operational framework or integrated command structure at the EU level to manage the implementation of Article 42(7) TEU in practice. While member states expressed unanimous support for France, tangible military contributions were provided by only a few countries (e.g., the United Kingdom, Germany, and Sweden). Other states provided modest contributions or limited their aid to non-military support.[50] The absence of pre-existing practical military planning underscored the gap between the symbolic strength of invoking Art. 42(7) TEU, and its actual contribution to the security of France.[51]

In summary, this episode underscored the key weaknesses of Art. 42(7) TEU: no verification mechanism, no invocation procedure, no burden-sharing guidance, and no accountability mechanism; it also failed to generate a precedent-setting EU procedure.

---

43 Mickonyté, „Obligation to Mutual Assistance".

44 Deen, Zandee, and Stoetman, *Uncharted and Uncomfortable in European Defence*.

45 Perot, „Art of Commitments".

46 Fazio, „EU's Mutual Defence Clause".

47 Perot, „Art of Commitments".

48 Perot, „Art of Commitments".

49 Henna Virkkunen, „The EU's Mutual Defence Clause? Article 42(7) of the Treaty on European Union," *European View* 21, no. 1 (2022): 22-26, https://doi.org/10.1177/17816858221089370.

50 Fazio, „EU's Mutual Defence Clause".

51 Elie Perot, „Solidarity and Deterrence in the Eastern Mediterranean: An Analysis of the Delicate Question of Collective Defence between EU Member States vis-à-vis Turkey," *Recherches & documents (Fondation pour la recherche stratégique)*, 2021.

4.2. Ambiguity after Ukraine: Post-2022 Reform Debates

Russia's invasion of Ukraine in February 2022 moved Art. 42(7) TEU to the forefront of the CFSDP debate, particularly given the granting of candidate status to Ukraine.[52, 53] For the first time several EU member states in the so-called Eastern flank[54] faced direct military and hybrid threats from Russia. The application of Sweden and Finland for NATO membership also implicitly showed that Art. 42(7) TEU was not viewed by member states as an autonomous and credible security guarantee.[55]

Operationalisation debates focused on verification, activation, coordination, funding, and command capacity. One suggested option was a „Mutual Assistance Task Force" (MATF) which should act as a coordination hub for aid requests and responses between EU agencies and national capitals.[56, 57] The Council of the EU and the European External Action Service (EEAS) initiated regular tabletop exercises and wargames to align member state expectations and test practical modalities of assistance during different military scenarios.[58] The European Peace Facility (EPF) was significantly increased in scale to provide lethal aid to a third country (Ukraine) for the first time, serving as a template for rapid resource mobilization during armed attacks against EU member states.[59] There were also proposals to transform the Military Planning and Conduct Capability (MPCC) into a fully-fledged permanent EU Operational Headquarters capable of commanding high-intensity executive operations.[60]

EU institutional initiatives in 2025 and 2026 were more consequential as the warnings by military and intelligence bodies about an impending Russian

---

[52] European Council. „European Council Conclusions on Ukraine, the Membership Applications of Ukraine, the Republic of Moldova and Georgia, Western Balkans and External Relations, 23 June 2022". June 23, 2022. https://www.consilium.europa.eu/en/press/press-releases/2022/06/23/european-council-conclusions-on-ukraine-the-membership-applications-of-ukraine-the-republic-of-moldova-and-georgia-western-balkans-and-external-relations-23-june-2022/.

[53] Genini, „How the War in Ukraine".

[54] Particularly Estonia, Latvia, Lithuania, Romania, and Poland.

[55] Genini, „How the War in Ukraine".

[56] Perot, „Solidarity and Deterrence".

[57] Deen, Zandee, and Stoetman, *Uncharted and Uncomfortable in European Defence*.

[58] Zdeněk Rod and Michael Jarkovský, „A Continent Divided? Diverging EU Actors' Perspectives on CSDP and CFSP Reforms", *Obrana a strategie* 25, no. 1 (2025): 163-191, https://doi.org/10.3849/1802-7199.25.2025.01.163-191.

[59] Federico Fabbrini, „Funding the War in Ukraine: The European Peace Facility, the Macro-Financial Assistance Instrument, and the Slow Rise of an EU Fiscal Capacity", *Politics and Governance* 11, no. 4 (2023), https://doi.org/10.17645/pag.v11i4.7174.

[60] Tuomas Iso-Markku and Niklas Helwig, „The EU's Fragmented Defence Governance: Different Rationales, Different Logics and Different Actors," *European Security*, March 2026, 1-19, https://doi.org/10.1080/09662839.2026.2633370.

attack on EU member states intensified. In March 2025, the European Parliament issued a resolution on EU defence[61], which called for permanent military exercises, joint threat assessments, pre-planned, coordinated responses among Member States, and the development of an EU preparedness act. While the European Commission's White Paper „Readiness 2030"[62] allocated up to EUR 800 billion for defence, it did not address Art. 42(7). More importantly, in January 2026 the European Commissioner responsible for defence and space, Andrius Kubilius, published a very ambitious paper including specific proposals for a new institutional mechanism for the operationalisation of Art. 42(7) TEU.[63] The keystone of the reform proposal is the establishment of a European Security Council that would be responsible for European crisis management in the case of military aggression against EU member states. Kubilius proposes that the European Security Council should consist of permanent members[64], the President of the European Commission, the President of the European Council, and three rotating members selected from other EU Member States.[65]

In summary, the reform debates after 2022 largely aimed at improving the operational resilience of the Union rather than renegotiating the key elements of constructive ambiguity around Art. 42(7). With the exception of the recent proposal by Andrius Kubilius, these debates showed low appetite for a Treaty revision, which would reintroduce difficult discussions on the neutrality stance of some EU member states[66], and the role of NATO for ensuring European security. Most proposed initiatives and institutional innovations remained incremental, and attempted to develop new instruments for functional integration.[67] In fact, these debates and reform proposals after 2022 produced additional constructive ambiguity by failing to notice that several of the required elements to operationalise Art. 42(7) TEU could be achieved through a Council decision or an inter-institutional agreement without any Treaty revision.[68] Additionally, the opportunities to use 'coalitions of the willing' provided by Art. 44 TEU were not seriously explored.[69] Any reform ideas for

---

[61] European Parliament resolution of 12 March 2025 on the white paper on the future of European defence (2025/2565(RSP). OJ C/2025/3151.

[62] European Commission. White Paper for European Defence - Readiness 2030. https://commission.europa.eu/document/download/e6d5db69-e0ab-4bec-9dc0-3867b4373019_en?filename=White%20paper%20for%20European%20defence%20%E2%80%93%20Readiness%202030.pdf.

[63] Andrius Kubilius, „On 'Europeanization' of European Conventional Defence: The Case for a European Security Council (Full Text)", Andrius Kubilius, January 28, 2026, https://andriuskubilius.lt/en/on-europeanization-of-european-conventional-defence-full/.

[64] The so-called E5: Germany, France, Italy, Spain, and Poland.

[65] One rotating member would be the member state that holds the Presidency of the Council of the EU.

[66] Eyal Rubinson, „Holding the Line: Austrian Neutrality in the Shadow of the War in Ukraine", *Cooperation and Conflict*, April 2025, https://doi.org/10.1177/00108367251327685.

[67] Iso-Markku and Helwig, „EU's Fragmented Defence Governance".

[68] Iso-Markku and Helwig, „EU's Fragmented Defence Governance".

[69] See for more details Meyer et al. 2022.

guaranteeing the democratic oversight of any Art. 42(7) TEU operationalisation decisions by the European Parliament and national parliaments of member states were also noticeably absent.[70, 71]

5. Discussion: Institutional Design Lessons from a Clause That Works by Not Working

The empirical evidence reviewed in Section 3 and Section 4 above confirms the constructive ambiguity hypothesis. The 2015 case confirmed the predicted bilateral, intergovernmental response pattern. The post-2022 debates showed that both member states and EU institutions recognized the structural deficiencies of the clause and attempted to somehow repair the lack of procedural guidance. However, these debates also contributed to the constructive ambiguity surrounding the potential operationalisation of Art. 42(7) TEU.

In both episodes, constructive ambiguity allowed member states to read their preferred commitment levels into Art. 42(7) TEU, while the absence of concrete procedures prevented any organised collective response at EU level. Thus, the invocation of the clause oscillates between a political solidarity signal, and ad hoc intergovernmental coordination. The credibility of the EU as a security provider remains undermined by structural dysfunctions, limited financial resources, and a continued operational dependency on strategic enablers provided by the United States of America.[72]

How could the operationalisation of Art. 42(7) TEU be strengthened or improved? First, there must be more clarity on the criteria for invocation of the clause. Second, the coordination capacity of all relevant EU institutions should be strengthened. While a European Security Council could solve some of the practical difficulties, the roles of key EU institutions should be clearly defined in a Council decision or an interinstitutional agreement. Third, the invocation and implementation procedures should be precisely defined in the same decision or agreement to ensure timely activation and mobilisation of all required resources in the case of an armed aggression, including the required level of coordination with NATO. Ideally, member states would also provide more clarity on the type of assistance they would be able and willing to provide to the attacked member state(s).

The decisions related to the invocation of the clause and the provision of adequate assistance would have significant distributive, deterrent, and coercive

---

[70] Tine Elisabeth Brøgger, „A 'Europe of Defence'? The Establishment of Binding Commitments and Supranational Governance in European Security and Defence", *Journal of European Integration* 47, no. 3 (2025): 403-22, https://doi.org/10.1080/07036337.2024.2379421.

[71] Claudia Cinnirella, „'Emergency Powers' of the European Union: An Inquiry on the Supranational Model", *European Papers - A Journal on Law and Integration* 10 (2025): 525-27, https://doi.org/10.15166/2499-8249/844.

[72] Genini, „How the War in Ukraine".

effects.[73, 74] These effects would require an operationalisation and coordination framework that is much more democratically accountable.

The war in Ukraine has already shown that European citizens are concerned about both the direct military costs, and the overall effectiveness of provided support.[75] Therefore the question is not only whether and how Art. 42(7) TEU could be strengthened, but also how to do it in a democratically accountable way.

On a theoretical level, this paper has three key contributions to EU institutional theory. First, it shows that constructive ambiguity when employed in a Treaty text creates political expectations that cannot be met in practice. Second, the paper shows that the consensus-generating function of constructive ambiguity has a temporal dimension: it works well at the drafting stage but may lead to later disagreements or even conflicts among member states when it has to be invoked. Third, it confirms an earlier finding that EU Treaty credibility depends more on the underlying institutional architecture rather than on the perceived strength of Treaty commitments by member states.[76]

6. Conclusion

This paper has shown that the drafters of Art. 42(7) TEU used constructive ambiguity to build consensus on mutual defence, at the cost of leaving operationalisation and burden-sharing unresolved. France's 2015 invocation produced a bilateral, unevenly distributed response driven by diplomatic leverage rather than collective obligation, with EU institutions sidelined.

The constructive ambiguity that ensured consensus in Lisbon became a strategic liability after 2022, making clear that credible EU defence requires a democratically accountable invocation procedure and clear guidance on member state contributions. Most of these lacking elements can be provided by the adoption of secondary EU legislation and/or the conclusion of interinstitutional agreements. The key challenge is not to initiate a Treaty revision, but to use existing mechanisms and powers to reduce the uncertainty surrounding Art. 42(7) TEU.

Future research should examine other Treaty provisions where constructive ambiguity was used to evade commitments and compare mutual defence clauses across international agreements for Art. 42(7) TEU operationalisation ideas.

---

[73] Fazio, „EU's Mutual Defence Clause".

[74] Mickonyté, „Obligation to Mutual Assistance".

[75] Adam Holesch and Benjamin Martill, „War Fatigue? The Politicisation of the Ukraine War", *Journal of European Integration* 48, no. 2 (2026): 167-90, https://doi.org/10.1080/07036337.2026.2615100.

[76] Andreas Føllesdal, „The Legitimacy Deficits of the European Union", *Journal of Political Philosophy* 14, no. 4 (2006): 441-68, https://doi.org/10.1111/j.1467-9760.2006.00244.x.

What remains certain is that credible EU mutual defence must combine institutionalisation with democratic accountability.[77] More research is needed on the inclusion of the European Parliament and national parliaments in military crisis decision-making.

References

1. Anghel, Veronica, and Erik Jones. „Is Europe Really Forged through Crisis? Pandemic EU and the Russia - Ukraine War". *Journal of European Public Policy* 30, no. 4 (2023): 766-86. https://doi.org/10.1080/13501763.2022.2140820.
2. Boddens Hosang, J.F.R., and P.A.L. Ducheine. „Implementing Article 42.7 of the Treaty on European Union: Legal Foundations for Mutual Defence in the Face of Modern Threats". Amsterdam Law School Legal Studies Research Paper No. 2020-71; Amsterdam Center for International Law No. 2020-35. Amsterdam Law School, 2020.
3. Brøgger, Tine Elisabeth. „A 'Europe of Defence'? The Establishment of Binding Commitments and Supranational Governance in European Security and Defence". *Journal of European Integration* 47, no. 3 (2025): 403-22. https://doi.org/10.1080/07036337.2024.2379421.
4. Brown, L. Carl, and Aharon Klieman. „Constructive Ambiguity in Middle East Peace-Making". *Foreign Affairs* 78, no. 6 (1999): 157. https://doi.org/10.2307/20049588.
5. Byers, Michael. „Still Agreeing to Disagree: International Security and Constructive Ambiguity." *Journal on the Use of Force and International Law*, May 2020, 1-24. https://doi.org/10.1080/20531702.2020.1761656.
6. Cinnirella, Claudia. „'Emergency Powers' of the European Union: An Inquiry on the Supranational Model". *European Papers - A Journal on Law and Integration* 10 (2025): 525-27. https://doi.org/10.15166/2499-8249/844.
7. Czuczai, Jenő. „The Principle of Solidarity in the EU Legal Order - Some Practical Examples after Lisbon." In *The EU as a Global Actor - Bridging Legal Theory and Practice*, 145-65. 2017. https://doi.org/10.1163/9789004347175_008.
8. Deen, Bob, Dick Zandee, and Adája Stoetman. *Uncharted and Uncomfortable in European Defence: The EU's Mutual Assistance Clause of Article 42 (7)*. Clingendael Institute, 2022.
9. Dimitrova, Antoaneta L., Seda Gürkan, and Joachim Koops. „Stuck on the Stairway of Change: The EU's Enlargement and Security and Defence Policies Post 2022". *West European Politics*, August 2025, 1-27. https://doi.org/10.1080/01402382.2025.2539010.
10. Fabbrini, Federico. „Funding the War in Ukraine: The European Peace Facility, the Macro Financial Assistance Instrument, and the Slow Rise of an EU Fiscal Capacity". *Politics and Governance* 11, no. 4 (2023). https://doi.org/10.17645/pag.v11i4.7174.
11. Fazio, Federica. „The EU's Mutual Defence Clause: Legal and Strategic Considerations on Article 42 (7) TEU in Light of the War in Ukraine." *Nordic Journal of European Law* 8, no. 3 (2025): 1-30. https://doi.org/10.36969/njel.v8i3.28035.
12. Føllesdal, Andreas. „The Legitimacy Deficits of the European Union". *Journal of Political Philosophy* 14, no. 4 (2006): 441-68. https://doi.org/10.1111/j.1467-9760.2006.00244.x.

13. Frieden, Jeffry A. „Actors and Preferences in International Relations". In *Strategic Choice and International Relations*, 39-76. 1999.

14. Genini, Davide. „How the War in Ukraine Has Transformed the EU's Common Foreign and Security Policy". *Yearbook of European Law* (2025). https://doi.org/10.1093/yel/yeaf003.

15. Gerring, John. „What Is a Case Study and What Is It Good For?" *American Political Science Review* 98, no. 2 (2004): 341-54. https://doi.org/10.1017/S0003055404001182.

16. Heisbourg, Francois. „Europe's Strategic Ambitions: The Limits of Ambiguity". *Survival* 42, no. 2 (2000): 5-15. https://doi.org/10.1080/713660177.

17. Herlin-Karnell, Ester. „EU Security, Collective Self-Defence, and Solidarity". In *The Depth and Size of the European Union in a Time of War: Interdisciplinary European Studies*, 49-66. Springer Nature Switzerland, 2025.

18. Holesch, Adam, and Benjamin Martill. „War Fatigue? The Politicisation of the Ukraine War". *Journal of European Integration* 48, no. 2 (2026): 167-90. https://doi.org/10.1080/07036337.2026.2615100.

19. Iso-Markku, Tuomas, and Niklas Helwig. „The EU's Fragmented Defence Governance: Different Rationales, Different Logics and Different Actors". *European Security*, March 2026, 1-19. https://doi.org/10.1080/09662839.2026.2633370.

20. Kartalova, Sofiya. *Ambiguity in EU Law: A Linguistic and Legal Analysis*. Routledge, 2022.

21. Knowles, Vanda, and Silke Thomson-Pottebohm. „The UK, Germany and ESDP: Developments at the Convention and the IGC". *German Politics* 13, no. 4 (2004): 581-604. https://doi.org/10.1080/0964400042000343155.

22. Kubilius, Andrius. „On 'Europeanization' of European Conventional Defence: The Case for a European Security Council (Full Text)". Andrius Kubilius. January 28, 2026. https://andriuskubilius.lt/en/on-europeanization-of-european-conventional-defence-full/.

23. Linderfalk, Ulf. *On the Interpretation of Treaties: The Modern International Law as Expressed in the 1969 Vienna Convention on the Law of Treaties*. Vol. 83. Springer Science & Business Media, 2007.

24. Meyer, Christoph, Ton Van Osch, and Yf Reykers. *The EU Rapid Deployment Capacity: This Time, It's for Real?* European Parliament, 2022. https://www.europarl.europa.eu/thinktank/en/document/EXPO_IDA(2022)702568.

25. Mickonyté, A. „Obligation to Mutual Assistance under Article 42(7) TEU: The Conundrum of Intentional Ambiguity." *ICL Journal* 18, no. 2 (2024): 311-338. https://doi.org/10.1515/icl-2023-0001.

26. Moravcsik, Andrew. *The Choice for Europe*. Cornell University Press, 1998.

27. Moser, Carolyn. *Accountability in EU Security and Defence*. Oxford University Press, 2020. https://doi.org/10.1093/oso/9780198844815.001.0001.

28. Perot, Elie. „The Art of Commitments: NATO, the EU, and the Interplay between Law and Politics within Europe's Collective Defence Architecture". *European Security* 28, no. 1 (2019): 40-65. https://doi.org/10.1080/09662839.2019.1587746.

29. Perot, Elie. „Solidarity and Deterrence in the Eastern Mediterranean: An Analysis of the Delicate Question of Collective Defence between EU Member States vis-à-vis Turkey". *Recherches & documents (Fondation pour la recherche stratŭgique)*, 2021.

30. Pézard, Stéphanie, Andrew Radin, Thomas S. Szayna, et al. *European Relations with Russia: Threat Perceptions, Responses, and Strategies in the Wake of the Ukrainian Crisis*. RAND Corporation, 2017.

31. Raineri, Luca, and Francesco Strazzari. „Dissecting the EU Response to the 'Migration Crisis'". In *The EU as Crisis Response*, edited by R. Mac Ginty, S. Pogodda, and O. P. Richmond. Manchester University Press, 2021.

32. Rod, Zdeněk, and Michael Jarkovský. 2025. „A Continent Divided? Diverging EU Actors´ Perspectives on CSDP and CFSP Reforms". *Obrana a Strategie (Defence and Strategy)* 25 (1): 163-91. https://doi.org/10.3849/1802-7199.25.2025.01.163-191.

33. Rubinson, Eyal. „Holding the Line: Austrian Neutrality in the Shadow of the War in Ukraine". *Cooperation and Conflict*, April 2025. https://doi.org/10.1177/00108367251327685.

34. Virkkunen, Henna. „The EU's Mutual Defence Clause? Article 42(7) of the Treaty on European Union." *European View* 21, no. 1 (2022): 22-26. https://doi.org/10.1177/1781685822 1089370.

THE CENTRE-RIGHT AND THE DEFENCE OF DEMOCRACY

Dr Garvan Walshe
Wilfried Martens Centre for European Studies

Abstract

This paper examines the challenges faced by centre-right parties in responding to the rise of the radical anti-democratic right. It argues that these movements should be understood not simply as policy competitors, but as proponents of a different model of political legitimacy and governance. Using Viktor Orbán's Hungary as a central example, the paper argues that centre-right parties have often failed by either imitating radical-right policies or merely opposing them. Instead, the democratic centre-right should defend institutional constraints, the rule of law, and the balance between electoral legitimacy and expert governance. Its role is therefore essential in protecting liberal democracy from authoritarian tendencies emerging within the political right.

Keywords: centre-right; radical right; democracy; patronage; polarisation

Centre right parties throughout the world have recently faced a challenge from a newly energised radical anti-democratic right. None has met it successfully.

Some, like the US Republicans have been taken over by an authoritarian movement that has sought to overturn an election on January 6, 2020, sought, with some success to politicise central US institutions, such as the Department of Justice,[1] and deployed armed personnel to organise a deportation campaign, for example in Minnesota.[2] Some, like Forza Italia have been marginalised.

---

[1] Officials at the US Department of Justice are appointed by the President, but by convention operate independently. Under the second Trump administration, these conventions have not been observed. This has led to resignations of United States Attorneys following the refusal to continue prosecuting former New York City Mayor Eric Adams (See 'Trump DOJ's Order to drop Eric Adams Case sparks mass resignations, Reuters, 14 February 2025 [https://www.reuters.com/world/us/manhattan-us-attorney-sassoon-resigns-after-request-drop-eric-adams-case-2025-02-13/]), attempts to prosecute former FBI Director James Comey (the case was dismissed: https://www.courtlistener.com/docket/71459121/united-states-v-comey/), and other matters. The Trump Administration also sought to prevent major law firms from taking cases against the government ('US Judge Strikes down Trump order against law firm Perkins Coie', Reuters, 3 May 2025 [https://www.reuters.com/world/us/us-judge-strikes-down-trump-order-against-law-firm-perkins-coie-2025-05-02/).]

[2] Public Broadcasting System, 'ICE Shooting Reinforces Minnesota's Grim Role as Trump's Target', 8 January 2026.

Others, like the British Conservatives have suffered both fates simultaneously: their leader Kemi Badenoch has expelled Lord Barwell, once chief of staff to former Tory Prime Minister Theresa May, and requires all current parliamentary candidates to seek Britain's exit from the European Convention of Human Rights and oppose the net zero climate policies that David Cameron's government championed. The party is also polling at historic lows of around 20%.[3] Still others, like Poland's Civic Platform have governed from what in their country's political spectrum is closer to the centre-*left,*[4] though it is important to bear in mind that Western-European definitions of left and right don't transfer easily to Central and Eastern Europe.

This paper develops the outlines of a theory that suggests that this is because centre-right parties have misunderstood the radical anti-democratic right as providing a policy challenge rather than advocating a different model of governance and legitimacy. They have often responded to it either by seeking to emulate its policies (Conservatives, Les Républicains), with little success, or by opposing them, with results that are at best mixed (Civic Platform). In this understanding the radical right should instead be understood as disdaining institutions and checks on executive power. It sees elections as conferring plenipotentiary legitimacy on themselves, by which they justify building patronage, campaigning through polarisation and ruling through a partisan state. Identifying these characteristics is complicated by the fact that this is a movement with only a limited desire to justify its agenda intellectually. Some of the most salient arguments have been advanced by the former Hungarian Prime Minister at his annual Balie Tusnad addresses including Viktor Orbán's promotion of the concept of 'illiberal democracy'[5], or by the UK's Policy Exchange think tank.[6] It is a method to which many traditional supporters of the right have been attracted because it holds out a hope that their agenda can be implemented without compromise with other parts of society.

Defining the 'right' poses problems. The original French Revolutionary definition, literally as supporters of the King, and metaphorically as supporters

---

[3] *Daily Telegraph*, 'Badenoch Critic Purged from Tory Party hits back', 14 July 2026.

[4] The Civic Platform (Plataforma Oblatejwska) is a member of the European People's party, considered a centre-right grouping at European level, yet governs with the support of left-leaning political parties, takes social liberal positions and conducts politics in opposition to a political parties, such as Law and Justice, that define themselves as right-wing and conservative. The point here is to show that the left-right spectrum is necessarily a simplification of political alignment, and thus makes defining something like a 'centre-right' somewhat problematic.

[5] *Prime Minister Viktor Orbán's Speech at the 25th Bálványos Summer Free University and Student Camp*, 26 July 2024, [https://2015-2019.kormany.hu/en/the-prime-minister/the-prime-minister-s-speeches/prime-minister-viktor-orban-s-speech-at-the-25th-balvanyos-summer-free-university-and-student-camp]

[6] Of particular importance is its Judicial Power Project (https://policyexchange.org.uk/publications/judicial-power-project/). Transparency note: the author was a fellow at policy exchange in 2008-2009 and again in 2010.

of the status quo, can't compass the idea of a 'radical right' that moves, in some sense, forward to something new, though it can easily enough extend itself to a reactionary right that aims to restore a lost if imaginary idyll. The Marxist conception, with the right taking the side of the owners of capital, and the left that of the working class, has outlived its usefulness. There is still, of course, William F Buckley's definition of a conservative as someone who 'stands athwart History, yelling Stop!'[7] One might also make reference to Oakeshott,[8] for whom conservatism was mainly a disposition, not an ideology, and the views of Burke and Hayek adopted by the conservative tradition despite them both denying their membership of it, that were sceptical of organised ideological plans to transform society.

In fact, the idea that something protean as 'the Right' can have a timeless ideological definition is difficult to sustain. Rather, the right wing is more usefully considered relative to the society it finds itself in. But relative in what way?

One of the most perceptive definitions can be found, fleshed out in quantitative detail in Ziblatt's *Conservative Parties and the Birth of Democracy*,[9] and expressed more qualitatively in Fawcett's *Conservatism: The Life of A Tradition*.[10] Both settle on a particular feature of the right in a democracy: it is a coalition of forces in society powerful enough to destroy democracy, if it wanted to. The democratic right is that part which chooses not to. The right always has the option of allying with non-democrats (ultramontane monarchists, theocrats, fascists, as the case may be) to protect its interests at the expense of their fellow citizens' freedom. It, or enough of it at least, must be convinced not to.

It is the centre right to which this convincing falls, through the legitimacy they carry by representing liberal, religious, economic of patriotic interests within the right-wing family. But, from the collapse of the southern European and Latin American dictatorships in the 1970s and 1980s, until the 2008 financial crisis, the democratic centre right had little serious challenge from its own camp and so had little convincing to do. (Jörg Haider's Austria and Fujimori's Peru were important exceptions.) Some combination of the rule of law, a market, or to use a phrase in currency in the German CDU, a social-market economy, a measure of respect for traditional institutions of the church and army, all within a constitutional structure, together with openness to globalisation and its opportunities held the line against the anti-democratic right.

These were constrained governments. Central banks were independent. Relationships between employers and unions were often governed by social partnership agreements, judicial review of the administrative state was growing

---

7 Buckley, William F 'Our Mission Statement', *National Review*, 19 November 1955. [https://www.nationalreview.com/1955/11/our-mission-statement-william-f-buckley-jr/]

8 See Oakeshott Michael, *Rationalism in Politics and Other Essays,* London: Methuen & Co 1962.

9 Ziblatt, Daniel, Conservative Parties and the Birth of Democracy, Cambridge: Cambridge University Press, 2017.

10 Fawcett, Edmund, *Conservatism: The Fight for a Tradition*, Princeton: Princeton University Press, 2020.

even in places like France where it had traditionally been weak. It was a form of government in which the political and democratic elements were heavily mixed with technocratic expertise.

Expertise does not quite meet its aspirations to neutrality and objectivity. At least partially, it reflects power relations in the world of the experts, where status and influence are at heavily influenced by one's reputation. In all major European industrial societies that democratised before or after World War II, the centre-right held power for longer than the centre-left.[11] Yet, a critique developed that this technocratic power structure reflected the culture of values of the left and liberal intelligentsia rather more than its share in post-war government would have suggested.[12]

Against the coalition with technocracy

In this system, centre-right parties dominated elected power, and following the defeat of militant trade unionism in the West, also together with the right-leaning liberals, controlled economic power too. But administrative power was held in a kind of coalition with technocrats. They, if not actually part of a liberal intelligentsia, were increasingly seen as such by the more radical members of right-leaning political organisations.

The technocrats constituted an 'establishment' to which these new radicals were opposed. Newt Gingrich's 1996 Contract With America was one such act of opposition; the anti-European invective by the Tory 'Bruges Group'[13] many of whose members would go on to lead the pro-Brexit movement, was another. During the UK's EU referendum campaign one of the pro-Brexit leaders, even if himself an intellectual,[14] Michael Gove, would argue that 'the British people have had enough of experts.'[15]

But the most consequential figure to pursue this line was Viktor Orbán. Orbán has been the inventor, or perhaps the re-inventor, of a kind of government

---

[11] Counting the years either the centre-left or centre-right spent in government between 1945 and 2015 across a range of countries gives the following figures. Years are counted when a centre-left or centre-right party is in office even as part of a coalition, so grand coalitions are counted as one year for each. France: Centre-left 26; Centre-right 44. Germany: Centre-left 28; Centre-right 43 (West Germany before reunification); Italy: Centre-right 55, Centre-left: 30; Netherlands: Centre-left 32, centre-right: 53 (Centrist VVD and D66 also took part in many Dutch governments). UK: Centre-left: 26, Centre-right: 39. Sweden and Spain have a different pattern with centre-left parties dominating the entire period in Sweden and post-Franco Spain.

[12] There is not the space required to conduct a comprehensive survey of this line of thought here, but James Bartholomew, *The Welfare of Nations,* London: Biteback, 2015, or Nick Herbert, *Why Vote Conservative?* London: Biteback, 2015 provide examples.

[13] The name comes from a speech by Margaret Thatcher at the College of Europe in 1988.

[14] Gove is the author of several books, and before entering politics was a regular guest on the BBC's practical philosophy show, *The Moral Maze*.

[15] Sky News, 3 June 2016

in which the forms of liberal democracy have been hollowed out but the regime he puts in place is nonetheless not actually a dictatorship that puts tanks in the streets and sends secret police to round people up. Orbán's aim, one he achieved for 16 years, was to rid himself of that coalition with technocratic power, and monopolise decision-making himself. Lawyers, civil servants, independent media, businesses free of government interference, were all reduced in power and, though not eliminated, made irrelevant. And he did this with minimal violence.[16] The recent episode where he kidnapped a Ukrainian money convoy and even administered a truth-serum to one of the security guards was unusual. He did not close down opposition media outlets, he had his friends buy them when they ran into financial difficulties. Unfriendly firms were harassed and cajoled to support what Orbán had originally called the System of National Cooperation (or the NER, after its initials in Hungarian).

He did this without the overt violence that characterises Erdogan's rule in Turkey or even the Trump Administration in the United States. He did not arrange for his opponents to be disqualified or jailed. He worked by patronage and economic coercion alone. This self-limitation was, I think the key to his longevity.[17] Orbán's 16 years of rule harmed Hungary's economy: when living standards are taken into account, Hungary's GDP per capita has fallen below Romania's.[18] But he developed an effective form of right-wing governance.

Instead of a centre-right coalition with technocracy, he created a right-wing government that ruled through economic patronage and the domination of institutions by the executive. It had the power to destroy democracy fully – he could, for example have built up security forces that would have enabled him to stay in power after a defeat in 2026, on the model, but he preferred to rule by manipulation and financial pressure than violence. Nevertheless, Orbán conceded defeat once the scale of his defeat by Peter Magyar in April 22 became clear. Orbán's regime was inefficient and corrupt, but was principally a way of keeping power without violence; distinct from a dictatorship while also deviating from democracy subject to the rule of law.

Politics and Resources

To understand the character of this kind of regime, it is helpful to draw upon a tradition in political science that focuses on the resources available to political parties. Ziblatt, above, works in this tradition, as did Martin Schefter.[19]

---

[16] Sajo, Andras, *Ruling By Cheating,* Oxford: Oxford University Press, 2021

[17] The author does not express support for Viktor Orbán and has spent a considerable amount of time over the past eight years helping opposition forces to his government. As a result, the author has been placed on the Hungarian Sovereignty Authority's blacklist.

[18] Eurostat GDP, Euro, Purchasing Power Standard, 2005. Hungary: €31,704. Romania €32,536.

[19] Shefter, Martin, *Political Parties and the State: The American Historical Experience,* Princeton: Princeton University Press, 1994.

In this view politics is a matter of obtaining or keeping resources, a term the tradition uses to include non-material sources of allegiance like national or class identity. The state is conceived as an instrument for redistributing these resources, and thus the main object of competition for power. In a democratic system repression and violent revolution are ruled out by definition so parties need other means of seizing it.

A state is equipped with offices whose holders have the means of appointing subordinates, approving programmes, disbursing budgets and so on. In an ideal patronage system these posts are allocated based on loyalty and exercised in the service of the person to whom loyalty is owed. In a Weberian bureaucratic system[20] the offices perform a function, defined by rule, and are filled by people selected for their ability to perform follow that rule. There can be many nuances here, but let us focus on the central point: do people hold offices to serve a patron's will: where the loyalty is to what the patron wants even if the purpose changes; or a rule enacted in advance regardless of the views of the superior in the bureaucratic hierarchy? Virtually all political systems combine both elements.

In Shefterian terms, a social group such as the educated middle classes can take momentary power by winning elections and then, instead of merely appointing its supporters to government posts, establish civil service autonomy[21] using criteria that will favour its supporters, thereby entrenching its control over the state and its resources. The essence of the Orbán-style argument is a party concluding their opponents have rigged the system in their favour, and claiming that this alleged rigging should be removed in favour of the new winners.

Further perspective can be obtained by observing another feature, common in post-communist societies. This is the presence of a post-nomenklatura class who privatised considerable parts of the state resources belonging to the previous socialist regime and which benefited from the social capital accumulated by it.[22] If, under Schefter's model, the technocrats had come to exercise power as a result of the decisions of democratically elected politicians, in post-soviet societies, they arguably owed it to their power under the old regime. In Hungary where no lustration took place, no efforts were made to dismantle this class, and many of its personnel transformed themselves into the social

---

[20] See Weber, Max, *Theory of Social and Economic Organisation,* trans. Ann Henderson and Talcott Parsons, Glencoe: The Free Press, 1947.

[21] Schefter argues for example for a slightly different case: the widening of the franchise in nineteenth century Britain coincided with the establishment of a politically impartial civil service to prevent the newly enfranchised lower middle classes from appointing its members to their ranks, enabling the Conservative Party to feel it could risk an expansion of the franchise. As a matter of historical fact there are other competing explanations for this (the need to prevent violent uprising; the Conservatives' own appeal to the new voters, particularly under Benjamin Disraeli - Ziblatt indeed argues the organisation needed to do the latter was crucial for the development of British democracy, and its survival of the Home Rule crisis in 1911-1914). Tl use Schefter's lens to provoke thought rather than to determine an explanation.

[22] The phenomenon is not unknown in other post-dictatorship societies. The political career of Franco-era property developer Jesús Gil y Gil is a case in point.

democrats of the MSZP and its successors. Orbán promised to destroy their influence (though he also coopted some of its members). He did so by changing the personnel of the state, which continued to directly appoint numerous officials including theatre directors and municipality newspaper editors that are elsewhere filled indirectly by arms-length expert bodies. To reinforce this control, he removed civil servants' protection by dismissal. Before 2010 civil servants were constitutionally protected from dismissal by expensive severance payments. Orbán had these taxed at 99%.

Thus, Orbán's offer to members of his NER: loyalty rewarded with state contracts and your opponents subject to harassment and the careful attention of the tax authorities,[23] repeated at lower levels of society on a smaller scale.[24]

Polarisation and the Partisan State

Patronage builds the support base, but interacts with a polarised political system and a partisan state. I shall not go into these in detail as I have covered them elsewhere[25] but here is a summary by way of illustration. Orbán used the constitutional majority he won in unusual circumstances in 2010 to institute a majoritarian electoral system in Hungary, allowing him to regain constitutional majorities in 2014 and 2018 despite only obtaining 42% of the vote. Majoritarian systems are well-suited to negative rhetorically polarised politics, which can rally support against an opponent and exploit divided opposition movements. Orbán complemented this with heavy use of public-consultation referendum campaigns to rally his base, the conversion of public news TV into a propaganda outlet (in 2022 for example, the opposition prime ministerial candidate was allowed just 5 minutes of coverage during entire the election campaign) and culture war offensives against homosexuality, the Central European University, culminating in a failed attempt to ban Budapest Pride in 2025.

Thus, these three p's: patronage, polarisation and the partisan state constitute a viable way for a right-leaning party to marshal the resources of enough of society in order to govern. Patronage keeps supporters loyal and allows resources to be extracted from the economy, natural resources or EU fiscal transfers. Polarisation keeps the party's base energised and opponents divided, while the partisan state eliminates the checks and balances needed to limit corruption and protect technocratic power. This combination, which would not find itself uncomfortable among the family of concepts termed 'populism,' is good for holding power. It is bad, however at governing in the national interest.

---

[23] See Zgut Przybylska, *Informal Power in Hungary and Poland*, London: Routledge, 2026.

[24] One ex-Fidesz activist shared with the author he abandoned the party after being told he would have to pay thousands of Euros to be stand for them in his local seat. Personal communication, 2019.

[25] See Walshe, „Political Monopoly: How Europe's New Authoritarians Stifle Dissent and Get Away With It", Institute for Strategic Dialogue, 2021.

The traditional reactionary right-wing leader had told his supporters: back me, and I will reward you and crush your enemies: as the phrase has it „For my friends everything, for my enemies the law."[26] It brought with it, or brings with it, in the case of Trump, the promise of violence. Though violence has some appeal, it is less persuasive to established interests with much to lose.

Orbán's genius was to find a new balance. His offer: back me, and I will reward you, and marginalise your enemies. He argued that what traditional liberals' term 'institutions' are really just a disguise for their power and the pursuit of elite interests. This in itself was not new. His innovation was subtlety.[27]

In Orbán's case this tactic wears right wing clothes, though there is nothing in the last paragraph that would be out of place in a left-leaning Syriza manifesto.[28] Versions of it have been kryptonite to the centre-right. Their main mistake (which mirrors that of the centre-left) was to confuse the incidental elements of his strategy with its nature. For instance: the centre-right might try to copy populist migration policy; the centre-left might oppose it, neither with any success.[29] Centre-aligned politics, including the centre-right need something different.

The radical right's attack on a coalition between elected representatives and technocratic governance can I think be understood as attack on that system's legitimacy. Through elections, power is deemed to flow from the people, and the power thus conferred is plenipotentiary – to act on their behalf. Orbán and Slovakia's Robert Fico both argued their election victories gave them license to remake the state and remove constraints on the executive power they now held. They considered the election to have deprived the institutions of legitimacy and given it exclusively to themselves, justifying their removal of checks and balances.

To this core argument the centre-right has I think several responses. First, institutions were established by previous democratic decisions; they need reform from time to time, but they should not simply be eliminated by later holders of an office. Second, and relatedly, people hold office as stewards of a country's government, with obligations toward the country's future: public office is not their private property, and to use it as such is corrupt. Third, the interplay between popular and technocratic sources of authority has been vital to the progress made in the West since the enlightenment. On their own both pure technocracy and pure populism decay into self-justifying and self-dealing elites. These sources of legitimacy need to compete, and at a time of right-wing radicalism, it is up to

---

[26] Attributed both to Oscar Benavides (Peru) and Getulio Vargas (Brazil).

[27] A backhanded compliment Hungarians give themselves is that 'a Hungarian is someone who goes into the revolving door behind you and comes out in front of you.'

[28] They would disagree about migration policy or LGBT rights, but these are incidental scapegoats for Orbán, not fundamental parts of his project. He chooses the enemies of the Hungarian people just like Yannis Varoufakis would identify those of the Greek working class.

[29] The Danish Social Democrats appeared to have avoided this trap, at least for a while, though their recent defeat in the Copenhagen municipal elections suggests the tactic has run out of road. The British Labour party's attempt to repeat it does not appear to be an unqualified success.

the centre-right, which overlaps in the political spectrum with the radicals, to hold the ring, as it was up to the centre-left to resist communist ideology in the twentieth century from within its own region of the political spectrum.

References

1. Buckley, William F „Our Mission Statement“, *National Review*, 19 November 1955. [https://www.nationalreview.com/1955/11/our-mission-statement-william-f-buckley-jr/]
2. Bartholomew, Jams, *The Welfare of Nations,* London: Biteback, 2015, or
3. Fawcett, Edmund, *Conservatism: The Fight for a Tradition*, Princeton: Princeton University Press, 2020.
4. Herbert, Nick, *Why Vote Conservative?* London: Biteback, 2015
5. Kassam, Ashifa and Garamvolgyi Flora, „Zebras, wealth and power: Hungary's election tests Orbán's grip on power“, *The Guardian*, 11 April 2026.
6. Oakeshott Michael, *Rationalism in Politics and Other Essays,* London: Methuen & Co 1962.
7. Orban, Viktor, *Prime Minister Viktor Orbán's Speech at the 25th Bálványos Summer Free University and Student Camp*, 26 July 2024, [https://2015-2019.kormany.hu/en/the-prime-minister/the-prime-minister-s-speeches/prime-minister-viktor-orban-s-speech-at-the-25th-balvanyos-summer-free-university-and-student-camp]
8. Public Broadcasting System, „ICE Shooting Reinforces Minnesota's Grim Role as Trump's Target“, 8 January 2026.
9. Sajo, Andras, *Ruling By Cheating,* Oxford: Oxford University Press, 2021
10. Shefter, Martin, *Political Parties and the State: The American Historical Experience,* Princeton: Princeton University Press, 1994.
11. Walshe, „Political Monopoly: How Europe's New Authoritarians Stifle Dissent and Get Away With It“, Institute for Strategic Dialogue, 2021.
12. Weber, Max, *Theory of Social and Economic Organisation,* trans. Ann Henderson and Talcott Parsons, Glencoe: The Free Press, 1947.
13. Zgut-Przybylska, Edit, *Informal Power in Hungary and Poland*, London: Routledge, 2026.
14. Ziblatt, Daniel, *Conservative Parties and the Birth of Democracy,* Cambridge: Cambridge University Press, 2017.

EUROPEAN DEFENSE À LA CARTE: DO WE NEED RUSSIA BACK?

Dr. Iskren Ivanov, Ph.D.
Sofia University St. Kliment Ohridski
https://orcid.org/0000-0001-9967-6251

Abstract:

The pursuit of peace and welfare is an enduring feature of the European integration. During the first two decades after the end of the Cold War, the European Union enjoyed the luxury of disproportionate economic power and cultural preponderance, which allowed European citizens to be secured within their national borders. The latter changed after March 11, 2004, when terrorism spread and after February 24, 2022, when Russia invaded Ukraine. The purpose of this paper is to assess the dynamics of the European security identity after the outbreak of the Ukrainian war and to construct a develop an analytical framework of European crisis management. The central claim of the paper is that – in accord with the historical experience – peace within the European security complex could be guaranteed only if Russia is granted a formal recognition of Eurasian regional power, separate and distinct from Europe's cultural entity. Only through limiting relations with Russia on a strategic dialogue level could the European Union negate the detrimental effects of disinformation, reduce democratic deficit and boost its political resilience. Last, but not least, the paper challenges the highly politicized assumption that resuming strategic cooperation and reintegrating Russia to the European security complex would secure peace in the region.

Keywords: Europe, Russia, Defence, Ukraine, War

Introduction

Arising concerns are spreading through Europe – concerns of war. The latter would have sounded odd just two decades ago, after the outbreak of the U.S.-led war on terror, which evolved into a series of local conflicts. However, European citizens have been less susceptible to consider Europe threatened by a military conflict due to the long peace, established after the collapse of the Soviet Union. The ongoing Russian aggression against Ukraine set preconditions for rethinking the credibility of the post-Cold War order, based on the

stability of nuclear deterrence and the alliances forged by America after World War II. The further weakening of democracy in some Eastern European Member States exacerbates the dilemma, dividing Europe from inside. A logical dilemma thus arises from the post-unipolar moment: how Europe could maintain a sustainable institutional and political strength, facing an assertive adversary like Russia, capable of applying asymmetrical strategies to challenge the unity of the European Union?

The purpose of this paper is to assess the prospect of establishing a strategic dialogue with Russia without extending it to the level of security cooperation. The article argues that the process of achieving perceptions of security would require three essential steps: boosting the EU's security capabilities, reestablishing a strategic dialogue with Moscow without extending it to security cooperation, and overcoming the democratic deficit in the European institutions. Most of all, many Europeans have become a victim to the problematic assumption that Russia should be reintegrated into the European security architecture.[1, 2] The empirical inconsistency of such claims stem from both theory and practice and could be expressed through four political realities that have consistently reshaped the security environment on the European Continent, which this paper discusses in its first section.

Last, but not least, strategic decoupling from Russia would require allocating far more resources for upgrading the European security identity than merely achieving strategic autonomy from the United States. Political will remains the scarcest resource whereas elites in Europe are divided on both matters. Added to those divisions is the present dynamics in the U.S. Foreign Policy and the Trump administration's doctrine of reducing the American post-World War II military presence in Europe. Although there is consistent body of scholars, who predict that American politics would outlive the Trump doctrine and its implications[3, 4], it would be misleading to treat Russia or China as more reliable partners than America. The concept of deterring Europe from regaining its status of great power is present in the strategic doctrines of Moscow, Beijing and Washington – a fact that further complicates Europe's search for security identity. The latter, however, also remains the strongest impetus for the European Union to pursue a more independent and autonomous security policy in a world, where the post-Cold War geopolitical realities no longer apply.

---

1 Brummer, Klaus. „The Council of Europe, Russia, and the Future of European Cooperation: Any Lessons to Be Learned From the Past?" *International Politics* 61, no. 2 (February 20, 2024): 258-78. https://doi.org/10.1057/s41311-024-00557-w.

2 Sachs, Jeffrey D. „European Russophobia and Europe's Rejection of Peace: A Two-Century Failure". *Horizons: Journal of International Relations and Sustainable Development*, no. 33 (2026): 76-95. https://www.jstor.org/stable/48860802.

3 Madrid, Raúl L., and Kurt Weyland. „Why US Democracy Will Survive Trump." In *Cambridge University Press eBooks*, 154-86, 2019. https://doi.org/10.1017/9781108692793.008.

4 Carati, Andrea, and Andrea Locatelli. *Taming the President: Trump, the Advisory System, and the Mechanisms of US Foreign Policy Decision-Making*. Walter de Gruyter GmbH & Co KG, 2025.

Do We Really Need Russia Back?

The argument that Russia should be acceded to the European security architecture has its pre-history in the claim that a potential membership of Moscow in the North Atlantic Treaty Organization (NATO) would have secured the lasting peace after the dissolution of the USSR (Bell, 1994) (Baker III, 2002).[5,6] Discussing historical experience, however, is futile because its relevance has been undermined by the fact the Russian have chosen Eurasianism over liberal democracy. NATO, on the other side, is a family of democracies and the Alliance demonstrates durability even in times when founding members like the United States act unilaterally to advance their national interests. The historical proposition to accept Russia in NATO would have disintegrated its unity from inside, or as many international security scholars put it – the difference between the Western strategic culture and Russia's Eurasian identity creates a gap that could not be mechanically filled by merely aligning the foreign policies of both parties.[7, 8, 9]

Russia's military intervention in Ukraine also received a nuanced academic reflection with the most heated argument, being discussed between proponents of John Mearsheimer's justification of Russian foreign policy[10] and his critics, who either adapt the realist concept of security dilemma to the Ukrainian war[11] or entirely reject the existence of such even after the accession of the former Soviet satellites to NATO[12]. This article employs a different framework by defending the assumption that regardless of its roots, Russia's war against Ukraine merely reaffirms the assumption that Moscow's strategic postures are not compatible with the European strategic culture because the Russian concept of deterrence is largely based on coercion, not cooperation[13]. This leads us to the

---

5 Bell, Coral. „Why an Expanded NATO Must Include Russia". *Journal of Strategic Studies* 17, no. 4 (December 1, 1994): 27-41. https://doi.org/10.1080/01402399408437568.

6 Baker, James A. „Russia in NATO?" *The Washington Quarterly* 25, no. 1 (March 1, 2002): 93-103. https://doi.org/10.1162/016366002753358348.

7 Götz, Elias, and Jørgen Staun. „Why Russia Attacked Ukraine: Strategic Culture and Radicalized Narratives". *Contemporary Security Policy* 43, no. 3 (June 1, 2022): 482-97. https://doi.org/10.1080/13523260.2022.2082633.

8 Marten, Kimberly. „NATO Enlargement: Evaluating Its Consequences in Russia". *International Politics* 57, no. 3 (April 16, 2020): 401-26. https://doi.org/10.1057/s41311-020-00233-9.

9 Kramer, Mark. „The Myth of a No-NATO-Enlargement Pledge to Russia". *The Washington Quarterly* 32, no. 2 (April 1, 2009): 39-61. https://doi.org/10.1080/01636600902773248.

10 Mearsheimer, John J. „Why the Ukraine crisis is the West's fault: the liberal delusions that provoked Putin". *Foreign Affairs* 93, no. 5 (2014): 77-89. https://ius.bg.ac.rs/wp-content/uploads/2023/03/5.-John-J.-Mearsheimer-Foreign-Affairs-2014-2022.pdf.

11 Glaser, Charles L. „Fear Factor: How to Know When You're in a Security Dilemma". *Foreign Affairs* 103, no. 4 (2024): 122-128. https://genbib.dk/work/work-of:150010-master:177979496?type=artikel

12 McFaul, Michael, Stephen Sestanovich, and John J. Mearsheimer. „Faulty Powers: Who Started the Ukraine Crisis?" *Foreign Affairs* 93, no. 6 (2014): 167-78. http://www.jstor.org/stable/24483933.

13 Adamsky, Dmitry. *The Russian Way of Deterrence: Strategic Culture, Coercion, and War*. Stanford University Press, 2023.

problematic claim, mentioned in the introduction – that the return of Russia to the European security architecture would undermine the ideological foundations of European democracy, a process that could be analysed on three levels.

First and foremost, theory shows that revisionist states find themselves in a war or a crisis in almost every stage of their political development[14, 15]. For Russia, military conflicts in Europe remain the most plausible path for Moscow to regain its great power status after the fall of the USSR. Cooperation with China is crucial for the size and the composition of the Russian military budget, which reflect Russia's global strategic capabilities. Asymmetric warfare, being one of the cornerstones in the Russian security arsenal does not require a considerable amount of funding and is cheaper compared to exhausting military operations. Combining the former and the latter thus provides Russia with the opportunity to prolong the war in Ukraine while affecting the European strategic perceptions.

Second, divisions among Europeans about Russia's place in European politics trigger uncertainty about how the European security identity should be structured. What Russia could not accomplish for the last four years of war does not follow only from the Ukrainian resistance; the latter is largely dependent on the weapons supplies by the United States and European nations. After the Trump administration took over, European liberals who advocate the military support for Ukraine faced a considerable opposition by conservatives, who insist on maintaining a strategic dialogue with the Russians. Political rhetoric that European military power cannot impose political decisions because the EU lacks enough military capabilities contrasted the past arguments of many European politicians, who favoured the assumption that the European project, in its very nature, contracts the idea of creating European military forces.

Finally, added to domestic debates and Russia's foreign policy, Moscow's actions have become even more challengeable when the French foreign policy faced opposition from Washington. The security vision of France and America has blurred many times in the past, but for a first time since 1966 the unity of NATO was threatened by the rising tensions between Paris and the White House. Trump's America First and Macron's concept of European strategic autonomy do not necessarily contradict to each other but leave Europe vulnerable without a nuclear umbrella. France and the United Kingdom have reduced their nuclear triads after the end of the Cold War and their influenced shrunk compared to that of America. Although there is no threat of a nuclear escalation at this stage of the conflict, scholars have consistently agreed that weapons of mass destruction have a significant psychological effect in decision-makers, when they face another nuclear-armed coalition. Nuclear weapons will not

---

[14] Wolfers, Arnold. *Discord and Collaboration: Essays on International Politics*. Johns Hopkins University Press, 1962.

[15] Davidson, J. *The Origins of Revisionist and Status-Quo States*. Palgrave Macmillan, 2014.

make European economies more secure, but they could serve as a buffer to the aspirations of third parties.

Strategic Dialogue vs Strategic Cooperation

As some scholars argue the difference between strategic dialogue and strategic cooperation is essential when state actors interact in the international system[16, 17]. Liberal institutionalism operationalizes both concepts to infer the assumption that the European Union has the ability and the capacity to operate them in its foreign policy[18]. However, there is a disjunction in the political perceptions of strategic dialogue and strategic cooperation.

Strategic dialogue with Russia has been an enduring purpose of the United States after the collapse of the Soviet Union with most U.S. doctrines focused on transforming the Russian Federation into a working liberal democracy with vital market economy. Europe has been equally inclined to join the U.S. in its efforts to overcome the legacy of the nuclear armed races and the Cuban missile crisis. The Western policy towards Russia jumped beyond dialogue after the September 11 terrorist attacks, when the Bush administration considered Moscow one of its closest partners in the war on terror. Ever since Russia supported the United States during its military operations in the Middle East and North Africa, the sense of mutual trust set the preconditions for a deepening strategic cooperation with Europe. In truth, Russian foreign policy has also favoured the Taliban and the anti-U.S. lobby in the United Nations, especially after the beginning of Operation Iraqi Freedom. Cooperation in Europe has not ceased, resulting in a considerable grow in the Russian geopolitical influence.

Tensions between Washington and Moscow deteriorated after the Russian annexation of Crimea and dropped to their lowest level with Russia invading the rest of Ukraine on February 24, 2022. Relations with Europe, on the other side, remained largely intact because most European states were dependent on Russian gas. Although NATO suspended Russia's partnership status, the Biden administration preferred not to cease all communications with the Kremlin whereas history shows that dialogue among nuclear powers could prevent World War III[19]. Being the only nuclear-weapon state, capable of maintaining a nuclear parity with Russia, America adopted a foreign policy that initially complied with that of Europe although the U.S. President Joe

---

[16] Kent, Michael L. „Dialogue as a Tool of Strategic Communication?" In *Edward Elgar Publishing eBooks*, 83-98, 2022. https://doi.org/10.4337/9781800379893.00011.

[17] Jong, Kim Hyung, and Lee Poh Ping. „The Changing Role of Dialogue in the International Relations of Southeast Asia". *Asian Survey* 51, no. 5 (September 1, 2011): 953-70. https://doi.org/10.1525/as.2011.51.5.953.

[18] Moravcsik, Andrew. „Europe, the Second Superpower". *Current History* 109, no. 725 (March 1, 2010): 91-98. https://doi.org/10.1525/curh.2010.109.725.91.

[19] Allison, Graham T. „Conceptual Models and the Cuban Missile Crisis". *American Political Science Review* 63, no. 3 (November 1, 1969): 689-718. https://doi.org/10.1017/s000305540025853x.

Biden did not approve the idea of integrating Ukraine into NATO. The divisions became even more tangible with the election of the second Trump administration, which endorsed a triangular diplomacy to Russia and China, prioritizing the Asia – Pacific in the U.S. strategic doctrines. After the escalation of the U.S. – Iran war and the potential reduction of the U.S. military presence in Europe faces a situation that undermines its security.

Whether strategic dialogue or strategic cooperation is better for the EU – Russia relations are predetermined by their strategic postures. Robert Jervis' theory of security dilemmas offers a good example of a matrix that could be used to assess how both parties should navigate their foreign policies to maximize security[20]. This article contends that security dilemma between the EU and Russia is present in Eastern Europe for two reasons. First, NATO is not yet involved into a direct military conflict with Russia, neither it would be as long as the United States remains a member of the Alliance. Second, European states are in possession of strategic resources that could effectively deter a potential Russian intervention as evident from the Western weapons used by Ukraine. Finally, there is sense to assume that Europe and Russia could independently navigate their security postures due to the possession of nuclear weapons by Paris and Moscow. The key to the dilemma thus lies into the postures of the parties and the way they use their military capabilities.

For both Russia and the EU, offense has the advantage in Ukraine because the parties are already involved in that security equation even though they are not in a situation of a direct confrontation. The presence of the U.S. nuclear umbrella remains a powerful deterrent to the Russian strategic aspirations in Europe and is likely to remain so despite the foreign policy of the current administration[21]. Although the bi-party consensus about the advantages of NATO collapsed, most of the U.S. policymakers among the Democrats stick to the argument that the Alliance's existence is vital to the U.S. national interests[22]. The same logic applies to the Republicans, who oppose President Trump's foreign policy of reducing America's strategic commitments to Europe. The favour of offense in the Ukrainian war is predetermined by two major variables that are not likely to shift unless Russia decides to invade a NATO ally. One is that a potential loss of the war would cost Moscow its prestige in the eyes of the West, and the other is that a Russian victory over Ukraine would encourage Russian decision-makers to attack Europe. In other words, none of the parties could afford to withdraw, while the costs of defence will outweigh the benefits of demonstrating a long-standing commitment to Kiev by supplying Ukraine with more weapons.

---

[20] Jervis, Robert. „Cooperation Under the Security Dilemma". *World Politics* 30, no. 2 (January 1, 1978): 167-214. https://doi.org/10.2307/2009958.

[21] Betts, Richard K. „Nervous Allies and Trump: Nuclear Lessons From NATO." *The Washington Quarterly* 48, no. 1 (January 2, 2025): 7-22. https://doi.org/10.1080/0163660x.2025.2478780.

[22] Barrett, Hannah Jakob, and Eric Gabo Ekeberg Nilsen. „How Threats of American Withdrawal From NATO Affect European Public Attitudes Toward Defence". *International Organization*, March 27, 2026, 1-25. https://doi.org/10.1017/s0020818326101313.

In terms of military postures, offensive is distinguishable from the defensive ones because neither party could afford a nuclear escalation. Although France is in possession of its own nuclear arsenal, its capabilities are limited and not equal to those of Russia. Moscow, on the other side, has stuck to a nuclear rhetoric ever since the Russian troops invaded Ukraine, but the Kremlin faced a firm opposition by China in the use of WMD. The differentiation between postures in the perceptions of WMD thus confirms that the EU – Russian relations resemble a security dilemma, much different from the approach by the second Trump administration.

In Conclusion: Dialogue is better than Cooperation

The EU – Russia security equation – as evident from Jervis' theory – contains three essential aspects. The first one is that the security dilemma between the parties have already been intensified by their offensive postures, resulting in a prisoner's dilemma, where a potential Russia aggression against NATO is possible. Second, the argument that the European support for Ukraine equally contributes to the ongoing war is unsustainable because the security dilemma is absent and as a status-quo power, the European Union follow a different policy than Russia. The nature of that policy might be offensive to Russia, but Europe cannot be considered an aggressor because the offense – defence balance in Eastern Europe was initially deteriorated by the Russian annexation of Crimea and the subsequent attack on Ukraine. Finally, escalation is highly possible because Europe and Russia are in a mutual deadlock, characterized by a classical spiral model of confrontation. The nature of that escalation is yet to be seen.

Based on the calculations in the previous sections, this article concludes that the return of Russia to the European security architecture under the guise of security cooperation is rather a precondition for another security dilemma than a consistent state of the EU – Russian relations. Added to those conclusions are the historical realities that the Europe has witnessed throughout the decades of war between the European powers and the Russian Empire. The logical dilemma of whether Russia could be reintegrated to European security should not be mechanically applied to the conventional wisdom that Moscow has been part of Europe's military history. Furthermore, considering Russia a European power could legitimize and facilitate its efforts to justify the war in Ukraine in the eyes of the EU public. Europe thus faces the difficult task of navigating the prisoner's dilemma with Russia in times when the United States allocates more strategic resources to deter China, while non-EU allies like Turkey seek to balance relations with Moscow.

Strategic dialogue with Russia, on the other side, should not be precluded because the channels of communication between European states and Moscow serve as a guarantee that tensions in Ukraine would not escalate. A more active position towards Russia would grant the EU strategic advantages to defend the

European interests equally with the U.S. Presidential administrations. Such dialogue does not imply or require compliance with Moscow's demands but rather a decisive, unified European stance towards the future of balance of power in Eastern Europe. It is essential for European decision-makers to distinguish between rhetoric of dialogue and rhetoric of appeasement – the former focuses on facing the opposite party with clear purposes and intentions, while the latter refers to the politics of some populist movements in Europe to promote one-sided rapprochement with Moscow. Talking to the Russians would alleviate the EU – Russia relations back to its stage of a security dilemma, which Europe could operate based on its most vital strategic interests.

References

1. Adamsky, Dmitry. *The Russian Way of Deterrence: Strategic Culture, Coercion, and War*. Stanford University Press, 2023.
2. Allison, Graham T. „Conceptual Models and the Cuban Missile Crisis". *American Political Science Review* 63, no. 3 (November 1, 1969): 689-718. https://doi.org/10.1017/s0003055 40025853x.
3. Baker, James A. „Russia in NATO?" *The Washington Quarterly* 25, no. 1 (March 1, 2002): 93-103. https://doi.org/10.1162/016366002753358348.
4. Barrett, Hannah Jakob, and Eric Gabo Ekeberg Nilsen. „How Threats of American Withdrawal From NATO Affect European Public Attitudes Toward Defence". *International Organization*, March 27, 2026, 1-25. https://doi.org/10.1017/s0020818326101313.
5. Bell, Coral. „Why an Expanded NATO Must Include Russia". *Journal of Strategic Studies* 17, no. 4 (December 1, 1994): 27-41. https://doi.org/10.1080/01402399408437568.
6. Betts, Richard K. „Nervous Allies and Trump: Nuclear Lessons From NATO". *The Washington Quarterly* 48, no. 1 (January 2, 2025): 7-22. https://doi.org/10.1080/0163660x.2025. 2478780.
7. Brummer, Klaus. „The Council of Europe, Russia, and the Future of European Cooperation: Any Lessons to Be Learned From the Past?" *International Politics* 61, no. 2 (February 20, 2024): 258-78. https://doi.org/10.1057/s41311-024-00557-w.
8. Carati, Andrea, and Andrea Locatelli. *Taming the President: Trump, the Advisory System, and the Mechanisms of US Foreign Policy Decision-Making*. Walter de Gruyter GmbH & Co KG, 2025.
9. Davidson, J. *The Origins of Revisionist and Status-Quo States*. Palgrave Macmillan, 2014.
10. Götz, Elias, and Jørgen Staun. „Why Russia Attacked Ukraine: Strategic Culture and Radicalized Narratives". *Contemporary Security Policy* 43, no. 3 (June 1, 2022): 482-97. https://doi.org/ 10.1080/13523260.2022.2082633.
11. Jervis, Robert. „Cooperation Under the Security Dilemma". *World Politics* 30, no. 2 (January 1, 1978): 167-214. https://doi.org/10.2307/2009958.
12. Jong, Kim Hyung, and Lee Poh Ping. „The Changing Role of Dialogue in the International Relations of Southeast Asia". *Asian Survey* 51, no. 5 (September 1, 2011): 953-70. https:// doi.org/10.1525/as.2011.51.5.953.

13. Kent, Michael L. „Dialogue as a Tool of Strategic Communication?“ In *Edward Elgar Publishing eBooks*, 83-98, 2022. https://doi.org/10.4337/9781800379893.00011.

14. Kramer, Mark. „The Myth of a No-NATO-Enlargement Pledge to Russia“. *The Washington Quarterly* 32, no. 2 (April 1, 2009): 39-61. https://doi.org/10.1080/01636600902773248.

15. Madrid, Raúl L., and Kurt Weyland. „Why US Democracy Will Survive Trump“. In *Cambridge University Press eBooks*, 154-86, 2019. https://doi.org/10.1017/9781108692793.008.

16. Marten, Kimberly. „NATO Enlargement: Evaluating Its Consequences in Russia“. *International Politics* 57, no. 3 (April 16, 2020): 401-26. https://doi.org/10.1057/s41311-020-00233-9.

17. Mearsheimer, John J. „Why the Ukraine crisis is the West's fault: the liberal delusions that provoked Putin.“ *Foreign Affairs* 93, no. 5 (2014): 77-89. https://ius.bg.ac.rs/wp-content/uploads/2023/03/5.-John-J.-Mearsheimer-Foreign-Affairs-2014-2022.pdf.

18. Glaser, Charles L. „Fear Factor: How to Know When You're in a Security Dilemma.“ *Foreign Affairs* 103, no. 4 (2024): 122-128. https://genbib.dk/work/work-of:150010-master:177979496?type=artikel

19. McFaul, Michael, Stephen Sestanovich, and John J. Mearsheimer. „Faulty powers: Who started the Ukraine crisis?“. *Foreign Affairs* 93, no. 6 (2014): 167-178. Moravcsik, Andrew. „Europe, the Second Superpower.“ *Current History* 109, no. 725 (March 1, 2010): 91-98. https://doi.org/10.1525/curh.2010.109.725.91.

20. Sachs, Jeffrey D. „European Russophobia and Europe's Rejection of Peace: A Two-Century Failure“. *Horizons: Journal of International Relations and Sustainable Development*, no. 33 (2026): 76-95. https://www.jstor.org/stable/48860802.

21. Wolfers, Arnold. *Discord and Collaboration: Essays on International Politics*. Johns Hopkins University Press, 1962.

4. PANEL

EU'S EVOLVING DIGITAL GOVERNANCE, DISINFORMATION AND DEMOCRATIC RESILIENCE IN THE EU

EU AND DEFENCE OF DEMOCRACY IN THE DIGITAL AGE: WHY EUROPE NEEDS A NEW DEMOCRATIC NARRATIVE

Assist. Prof. Mariya Yurukova, PhD
European Studies Department, Faculty of Philosophy
Sofia University „St. Kliment Ohridski“
ORCID: https://orcid.org/0009-0003-0163-7767

Abstract

This article argues that while the European Union has developed one of the world's most comprehensive regulatory frameworks for protecting democracy in the digital environment, regulation alone cannot restore democratic resilience. The paper identifies a growing asymmetry between the EU's increasingly sophisticated regulatory capacity and the democratic narrative capable of explaining the purpose and legitimacy of this regulatory project to citizens. It argues that the long-term defence of democracy requires rebuilding public trust through civic participation, media and digital literacy, and a renewed democratic narrative capable of responding to economic insecurity, political polarisation, information disorder and disinformation. Drawing on the differentiated historical narratives of peace and prosperity and on illustrative examples of external narrative contestation, the paper highlights the need for both a new common European democratic narrative and strategic communication sufficiently flexible to reflect the diverse realities and vulnerabilities of individual Member States rather than relying on a one-size-fits-all approach.

Keywords: European Union; disinformation; democratic resilience; democratic narrative; strategic communication; media and digital literacy; public trust, European legitimacy narratives

Introduction

For decades, one of the implicit foundations of liberal democracy in Europe was the expectation that each generation would enjoy greater prosperity, security, and opportunities than the previous one. This intergenerational promise is increasingly under pressure.

Across Organisation for Economic Co-operation and Development (OECD) countries, younger people face declining rates of home ownership, rising housing

costs, more precarious labour markets, and growing wealth inequality despite the unprecedented technological progress. Housing has become perhaps the clearest indicator of this shift. According to the OECD, by the age of 39 only 63% of people born around 1980 owned their homes, compared with 67% among those born around 1970. For those born around 1990, homeownership at age 29 fell dramatically to 41%, compared with 52% for people born around 1980 at the same age[1]. Similar developments are visible across the European Union. Eurostat reports that housing costs increasingly delay young Europeans' transition to independent living, while housing affordability has become one of the defining social challenges of the current decade[2]. These figures suggest not merely a housing crisis but a broader transformation in intergenerational wealth accumulation.

Although Europe has achieved high living standards, significant socio-economic challenges remain. Europe faces significant demographic uncertainty due to an aging and shrinking working-age population, combined with uneven global population growth, posing challenges to economic resilience, labour markets, and social welfare systems. By 2040, the EU will have 17 million fewer people of working age than it did in 2023[3]. In terms of climate change, Europe is the fastest warming continent in the world[4]. Emerging technologies such as AI, biotechnology, and longevity treatments could create new forms of extreme inequality, as wealthy individuals gain privileged access to life-enhancing technologies and resources, widening the gap between the richest and the rest of society.[5]

These developments have implications that extend beyond economic policy. Liberal democracies derive legitimacy not only from political participation, free elections and the rule of law, but also on the belief that democratic governance delivers tangible improvements in citizens' lives. And this is valid as well for European democracy. When younger generations increasingly perceive economic insecurity, declining opportunities for wealth accumulation, and reduced social mobility, democratic legitimacy itself becomes more vulnerable and trust in institutions becomes increasingly fragile. Populist narratives find fertile ground where citizens no longer associate democracy with progress and opportunity. In this context, foreign information manipulation and disinformation do not create democratic vulnerabilities on their own; rather, they exploit existing social anxieties and declining institutional trust.

---

1 Carlotta Balestra, Jakub Caisl, and Luiz Hermida, *Mapping Trends and Gaps in Household Wealth across OECD Countries*, OECD Papers on Well-being and Inequalities, no. 37 (Paris: OECD Publishing, 2025), https://doi.org/10.1787/4bb6ec53-en

2 Eurostat, „Ireland's Housing Cost Overburden Rates Below EU Average", *Eurostat News*, September 23, 2025, https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20250923-1

3 European Strategy and Policy Analysis System (ESPAS), *Global Trends to 2040: Choosing Europe's Future*, 2nd ed. (Luxembourg: Publications Office of the European Union, 2024), https://doi.org/10.2760/689540

4 ESPAS, *Global Trends to 2040*, 23.

5 ESPAS, *Global Trends to 2040*, 33.

This distinction is particularly important for understanding the contemporary information environment. Some academics such as Neville Bolt and the author of this paper argue that strategic communication should not be reduced to reactive messaging or counter-propaganda but should instead be understood as a long-term process of meaning-making anchored in the liberal democratic project[6]. In this view, the central challenge is not merely to communicate more effectively but to sustain the values and legitimacy upon which democratic societies rest.

Consequently, Europe's challenge is no longer limited to countering foreign information manipulation or regulating digital platforms. The deeper challenge is restoring citizens' confidence that democratic institutions remain capable of delivering security, prosperity, and fairness. Disinformation is therefore not simply an information problem. It is increasingly a symptom of the need for new instruments for safeguarding quality information, but also of declining democratic trust.

This article argues that the European Union has entered a new phase in the evolution of democratic governance. During the twentieth century, European states primarily sought to defend the peace in terms of territory through military power and collective security. In the digital age, the focus has shifted towards protecting information through regulation, platform governance, and counter-measures against foreign information manipulation. Yet, the next strategic challenge extends beyond both territory and information. The resilience of European democracy will increasingly depend on protecting and rebuilding public trust - the essential infrastructure upon which democratic institutions ultimately rely. From this perspective, the European Democracy Shield, the Digital Services Act, and other measures discussed later in this text constitute important, yet incomplete, responses to these challenges. While regulatory instruments are indispensable, they cannot, on their own, restore democratic legitimacy. Europe therefore needs not only stronger rules but also a renewed democratic narrative capable of reconnecting citizens with the values, opportunities, and future that democracy promises.

Conceptual Approach: Democratic Narratives, Legitimacy and Strategic Communication

In this article, a *democratic narrative* is understood not as a communication strategy or political slogan but as a shared framework of meaning through which citizens interpret the purpose, legitimacy, and future direction of democratic governance. Such narratives connect institutions with citizens' lived experiences and shape expectations about security, prosperity, justice, and collective identity.

Democratic narrative should therefore be distinguished from strategic communication. The democratic narrative provides the substantive framework

[6] Neville Bolt, „The Future Is More Than What Happens Next: Strategic Communications and the Twenty-First Century", *Defence Strategic Communications* 15 (Spring 2025): 14-15, https://doi.org/10.30966/2018.RIGA.15.1

of meaning through which democratic legitimacy is interpreted, while *strategic communication* refers to the processes and instruments through which such meaning is articulated, communicated, and contested. *Public trust*, in turn, is treated as a key social resource of democratic legitimacy, while *information integrity* is understood as an enabling condition for informed democratic participation rather than as an equivalent substitute for democracy itself.

The author defends the thesis that the strategic narratives are effective only when they resonate with citizens' lived experiences and reinforce confidence in democratic institutions. The article adopts a conceptual and interpretive approach combining scholarship on European integration, democratic legitimacy, strategic narratives and strategic communication with analysis of EU policy developments and illustrative examples of external narrative contestation.

From Protecting Peace to Protecting Trust: The Evolution of Democratic Resilience in the European Union

For analytical purposes, the evolution of European democratic resilience can be understood through changes and additions in the strategic objects that European institutions have sought to protect. Rather than replacing one another completely, these objects of protection have accumulated over time as the political, technological, and security environment has changed.

First, the European Union was created as a peace project. Emerging from the devastation of the Second World War, European integration sought to make another war between European nations not only undesirable but materially impossible. Through economic interdependence, shared institutions, and progressively deeper political integration, the European Communities were designed to replace confrontation with cooperation and power politics with the rule of law. Peace, stability, and reconciliation therefore constituted the original strategic objectives of the European project and formed one of its foundational legitimacy narratives.

Second, over time, however, the Union's understanding of security expanded considerably. As European integration deepened and the geopolitical environment evolved, the focus gradually shifted beyond preventing interstate conflict towards protecting the democratic values. Article 2 of the Treaty on European Union identifies respect for human dignity, freedom, democracy, equality, the rule of law, and human rights, including the rights of persons belonging to minorities, as the Union's foundational values[7]. These principles are therefore not recent political preferences or ideological innovations but constitutional commitments embedded in the Union treaties.

Nevertheless, many of these values have increasingly become the target of foreign information manipulation and disinformation campaigns. Issues such as so-called „traditional values", gender equality, LGBTQ+ rights, migration,

[7] Treaty on European Union (TEU), art. 2.

minority rights, and religious identity are frequently reframed through manipulative narratives that portray the European Union as imposing new ideological agendas rather than implementing principles explicitly enshrined in its founding treaties. Recent analyses by the European External Action Service identify such identity-based disinformation as a recurrent feature of FIMI campaigns designed to exploit sensitive societal debates, deepen political polarisation, and undermine trust in democratic institutions across Europe[8].

This distinction is particularly important because disinformation campaigns rarely seek to challenge the legal text of the Treaties themselves. Instead, they seek to reshape the public understanding of these values by replacing their constitutional meaning with emotionally charged and polarising narratives. The protection of democracy, therefore, has become not only a political aspiration but also a constitutional objective that increasingly requires safeguarding both the integrity of the information environment and the constitutional values upon which the European Union is built.

Third, rapid technological transformation introduced an additional dimension of democratic security. Throughout much of the twentieth century, democratic states understood security primarily in territorial terms. National security was centred on defending borders, safeguarding critical infrastructure, and deterring external aggression. Political power was exercised largely through control of physical space, while military alliances, defence institutions, and international law developed around this territorial understanding of security.

Digital transformation fundamentally altered this logic. As societies became increasingly interconnected, information itself emerged as a strategic asset. Political influence could be exercised without crossing borders, while hostile actors gained unprecedented opportunities to manipulate public debate through digital platforms, social media, cyber operations, and coordinated information campaigns. The battlefield is no longer confined to specific geographical locations; it has become embedded in citizens' everyday lives. Foreign information manipulation and interference, disinformation campaigns, algorithmic amplification, and cyber-enabled influence operations illustrate this transformation and challenge traditional understandings of both security and democratic governance.

In this context, the European Union has responded by constructing one of the world's most comprehensive regulatory frameworks for digital governance. The Digital Services Act, the Digital Markets Act, the European Media Freedom Act, the Artificial Intelligence Act, the Regulation on the Transparency and Targeting of Political Advertising, together with the recently proposed European Democracy Shield, all (and many more) seek to strengthen the integrity of the digital information environment. Their common objective is to reduce vulnerabilities arising from online manipulation, increase transparency, improve accountability of digital

[8] European External Action Service, „Safeguarding Democracy: Building Resilience against Identity-Based Disinformation", November 8, 2024, https://www.eeas.europa.eu/eeas/safeguarding-democracy-building-resilience-against-identity-based-disinformation_en

platforms, and strengthen democratic resilience against external interference. Yet all these acts and frameworks are reactive and are not telling the story of democracy.

These initiatives, however, reveal an important conceptual limitation. Although they regulate the information environment, the value they ultimately seek to protect is democracy itself. A safer and more transparent information ecosystem can strengthen democratic resilience, and citizens clearly require access to reliable, pluralistic, and trustworthy information in order to make informed democratic choices. Yet information integrity and democracy should not be treated as equivalent objects of protection. The former is an enabling condition of democratic participation; the latter is the constitutional and political order that gives such participation meaning.

If the two are placed on the same conceptual level, there is a risk that the defence of democracy will be reduced to the technical management of information flows, platform accountability, and content moderation. This would obscure the more fundamental question of whether citizens continue to regard democracy as capable of providing freedom, security, fairness, and the prospect of shared prosperity.

The absence of a compelling contemporary democratic narrative in the European Union therefore reflects a growing mismatch between what democracy seeks to protect and the instruments through which it is protected. The Union has developed increasingly sophisticated mechanisms to address technological and informational risks, but the evolution of those governance instruments has not been matched by an equally clear evolution of the democratic narrative explaining their common purpose. Protecting the information environment remains necessary, but it is no longer sufficient. The European Union must also renew the democratic narrative that enables citizens to understand why democracy remains the most legitimate framework for securing freedom, security, prosperity, and political agency in the digital age.

Competing Sources of European Legitimacy: Peace and Prosperity

The historical narrative underpinning European integration is not experienced uniformly across the Union. In the founding Member States, and particularly in France and Germany, the European project continues to derive much of its legitimacy from the promise of peace and reconciliation[9]. European integration is understood as the economic and political achievement that transformed centuries of interstate rivalry into lasting cooperation and made another war between the two countries increasingly difficult to imagine.

In Central and Eastern Europe, however, the dominant European narrative developed under different historical circumstances. Following the end of the

[9] Catherine E. De Vries, „How Foundational Narratives Shape European Union Politics“, *JCMS: Journal of Common Market Studies* 61, no. 4 (2023): 867-881, https://doi.org/10.1111/jcms.13441

Cold War and the democratic transformations of the 1990s, the European Union represented not primarily reconciliation between former Western European rivals, but accession to a freer, wealthier and more modern Europe. Membership became closely associated with democratic consolidation, economic convergence, freedom of movement, institutional modernisation, and the aspiration to „return to Europe“ after decades of political and economic division. For many societies in the region, the image of the prosperous West became one of the principal sources of the Union's legitimacy. Europe promised not only peace, but also opportunity, prosperity, security, and a better life and future. This distinction is important because the prosperity narrative is inherently more dependent on visible results than the original peace narrative. Peace can retain symbolic legitimacy across generations through historical memory, institutions, and commemoration. The promise of convergence, by contrast, is evaluated continuously through wages, housing, public services, social mobility, and citizens' ability to compare their everyday lives with those of people elsewhere in Europe.

In comparative global terms, EU Member States continue to rank highly across indicators of prosperity and life satisfaction. Most Member States perform above the global average in GDP per capita measured at purchasing power parity[10]. Luxembourg and Ireland rank among the wealthiest countries in the world, followed by countries such as the Netherlands, Denmark, and Austria, while large economies including Germany, Sweden, and France also maintain high income levels. Spain, Czechia, Slovenia, and Portugal occupy an intermediate position, while Poland, Romania, Bulgaria, and Croatia continue to converge towards the EU average[11]. Although income disparities between Member States have gradually narrowed, a noticeable gap remains between the higher-income countries of Northern and Western Europe and the catching-up economies of Central and Eastern Europe. On the other hand, even lower-income EU Member States such as Bulgaria and Romania remain well above the global average in GDP per capita at purchasing power parity.

A similar pattern can be observed in indicators of life satisfaction. According to the World Happiness Report, EU Member States rank among the happiest societies in the world, with Finland, Denmark, Sweden, and the Netherlands consistently occupying leading positions[12]. At the same time, several Southern and Eastern European Member States record comparatively lower levels of reported life satisfaction. These differences reflect variations in income, social support, institutional trust, health, and broader perceptions of quality of life.

The analytical significance of these disparities lies not in suggesting that European integration has failed to produce substantial economic and institutional transformation. On the contrary, Europe remains one of the most prosperous and socially developed regions of the world. The problem is that democratic

---

[10] World Bank, „GDP per Capita, PPP (Current International $),“ *World Development Indicators*, accessed July 21, 2026, https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD

[11] Ibid.

[12] World Happiness Report, „Data Table“, accessed July 21, 2026, https://data.worldhappiness.report/table

legitimacy is shaped not only by absolute levels of prosperity, but also by expectations, social comparisons, perceived fairness, and citizens' everyday experiences of economic and political opportunity.

When economic convergence slows, regional inequalities persist, or younger generations experience insecure employment and declining access to property, the narrative of the prosperous West may lose part of its persuasive force. Rising expectations and constant comparison can make the achievements of European integration appear incomplete or uneven.

This creates a specific vulnerability in Central and Eastern Europe. Where the Union is understood to a significant degree as a pathway towards Western prosperity, disappointment with economic outcomes can more easily be transformed into disappointment with the European project itself. Political actors and foreign information campaigns can exploit the gap between expectation and lived experience by portraying the region as permanently peripheral, economically dependent, or treated as a second-class part of Europe. In such narratives, the European Union is no longer presented as the vehicle of convergence but as the institution responsible for its incompleteness.

The European Union therefore faces not one narrative deficit but several interconnected ones. Its original peace narrative remains powerful, but its relative salience varies across historical and regional contexts. The narrative of prosperity and convergence remains influential, particularly in Central and Eastern Europe, but it is increasingly tested by socioeconomic insecurity and unmet expectations.

A renewed democratic narrative must bring these experiences together. It must present peace not as passivity, prosperity not merely as aggregate economic growth, and European integration not simply as imitation of an idealised West. Instead, it should connect peace, European values, sovereignty, democracy, social security, opportunity, and shared prosperity within a common account of why the European project remains meaningful for citizens across both Eastern and Western Europe.

Examples for External Appropriation of European Legitimacy Narratives: Peace and Freedom

The following two examples illustrate how external actors can contest the EU's legitimacy by re-signifying its foundational values - peace and freedom - precisely where European narratives have become politically vulnerable. They are fundamentally different in origin, purpose, and geopolitical context and are not treated as equivalent cases. Their analytical relevance lies in the mechanism through which European values are redefined and turned against the policies intended to defend them.

Russia and the Appropriation of Peace

Russia's peace rhetoric exploits Europe's different historical experiences. In Western Europe, where peace is closely associated with post-war reconciliation

and European integration, Russia seeks to appropriate Europe's foundational narrative of peace by portraying EU support for Ukraine as „warmongering" and itself as the advocate of negotiation, thereby detaching peace from sovereignty and territorial integrity.

In parts of Eastern Europe and the Balkans, this framing can also activate older historical memories: in Bulgaria, for example the Russo-Turkish War of 1877-78 remains embedded in competing commemorative narratives of Russia as liberator.

In Central and Eastern Europe, Russian narratives can also exploit dissatisfaction with persistent economic inequalities inside the EU. Where citizens feel economically peripheral or politically unequal, the Union can be portrayed simultaneously as failing to deliver prosperity and as sacrificing peace and the prosperity of the European citizens for geopolitical goals.

In this way, Russia seeks to appropriate peace as a core source of European legitimacy. The narrative challenge is therefore not only whether peace is desirable, but how peace itself is defined: whether it can be separated from sovereignty, territorial integrity, and the political agency of the states directly affected by military coercion.

United States and the Contest over Freedom of Expression

Since 2025, a different challenge has emerged in the transatlantic relationship around the meaning of freedom of speech. Some actors in the contemporary US political establishment have portrayed the EU's Digital Services Act as a threat to freedom of expression, reframing regulation intended to improve platform accountability and protect users' rights as censorship.

This criticism became especially visible in 2025, when J. D. Vance, Brendan Carr, and Marco Rubio criticised or challenged European digital regulation. Its significance lies in the fact that it comes from Europe's principal democratic and security partner rather than from an authoritarian adversary. While US critics frame the Digital Services Act as a threat to free expression, the EU presents it as a framework for transparency, user rights, and democratic oversight of powerful platforms. The dispute therefore reflects a broader contest over the meaning of freedom itself: freedom from regulation versus freedom protected through accountability and rights-based governance[13].

The Russian and American examples are therefore fundamentally different in origin, purpose, and geopolitical context, and they should not be treated as equivalent. Nevertheless, they reveal a common structural vulnerability. Taken together, the two examples demonstrate that Europe's narrative problem is

---

[13] Yurukova, Mariya. „Why Freedom of Speech in the EU Is Not Equivalent to the Freedom of Online Platforms to Be Irresponsible and Unaccountable". *Papers from the International Scientific Conference of the European Studies Department, Jean Monnet Centre of Excellence, Faculty of Philosophy at Sofia University „St. Kliment Ohridski"* 12 (2025): 186-209. https://doi.org/10.60054/PEU.2025.12.186-209

not simply a shortage of positive communication but a contest over who gets to define the values from which European legitimacy is derived. Russia seeks to separate peace from sovereignty and recast European resistance to coercion as warmongering, while the contemporary U.S. critique separates freedom from the EU's model of rights-based platform accountability and recasts democratic regulation as censorship. The case's analytical similarity lies in the mechanism of narrative reversal. A renewed European democratic narrative must therefore explain why peace may require the defence of sovereignty and why freedom in the digital sphere may require both protection against state censorship and democratic constraints, transparency, due process, and accountability in the exercise of private platform power. The Union's challenge is no longer merely to proclaim peace and freedom, but to defend a politically intelligible account of what those values mean under contemporary conditions.

European Digital Governance: Between Regulatory Capacity and Democratic Legitimacy

In this context, the European Union is developing new mechanisms for protecting democracy at a time when the political environment in which these mechanisms must operate has become increasingly fragmented. While European integration has continued to deepen through supranational governance and common co-regulation approach, many Member States have simultaneously experienced growing political polarisation, declining trust in public institutions, electoral volatility, and the rise of populist movements. European institutions are therefore seeking to strengthen democratic resilience in a considerably more hostile domestic and geopolitical environment than the one in which much of the Union's governance architecture was originally conceived.

This evolution is particularly visible in the field of digital governance. Over the past decade, the European Union has developed one of the world's most comprehensive regulatory frameworks for the digital environment. The Digital Services Act, the Digital Markets Act, the Artificial Intelligence Act, the European Media Freedom Act, the Data Governance Act, the Regulation on the Transparency and Targeting of Political Advertising, together with the proposed European Democracy Shield, illustrate the Union's preference for governance through law. Rather than relying primarily on market forces or voluntary commitments from technology companies, the European approach seeks to establish common legal standards capable of protecting both the Digital Single Market and democratic values.

The EU's model of digital governance is fundamentally multistakeholder, rights-based, and co-regulatory: it combines binding regulation with soft-law instruments and involves public authorities, private companies, civil society, technical experts, and academia in governance processes. The EU therefore supports a „single, open, global, and interoperable Internet" while seeking to

embed transparency, accountability, fundamental rights, privacy, and democratic oversight into the governance of AI and online platforms as well[14].

Three characteristics define this model of European digital governance.

First, governance has become increasingly supranational. Digital platforms, cyber threats, and foreign information manipulation and interference transcend national borders, making purely national responses insufficient. Consequently, institutions such as the European Commission, the European External Action Service, the European Board for Digital Services, and the proposed European Centre for Democratic Resilience have acquired growing responsibilities in coordinating European responses.

Second, the Union has significantly expanded its regulatory capacity. This reflects what Anu Bradford (2020) describes as the *Brussels Effect*[15] - the European Union's ability to shape global markets and standards through regulation rather than through military or geopolitical power. Increasingly, European influence derives from its capacity to establish legal norms that extend well beyond its borders[16].

Third, the Digital Single Market has evolved far beyond its original economic purpose. Initially designed to facilitate cross-border digital trade and strengthen European competitiveness, it has gradually become an instrument for protecting democratic processes, safeguarding fundamental rights, ensuring media pluralism, increasing platform accountability, and strengthening resilience against foreign interference.

This evolution demonstrates the adaptability of European governance. At the same time, it reveals an important paradox. As the number of legal acts, policy initiatives, financial instruments, institutional bodies, and governance mechanisms continues to grow, the European Union is asking citizens to navigate an increasingly complex institutional landscape. The challenge is not necessarily that the Union regulates too much. Rather, it governs through an expanding architecture of legal, financial, and policy instruments that has become progressively more difficult for citizens to understand. Citizens are frequently exposed to individual regulations, funding programmes, or institutional initiatives without clearly perceiving the broader democratic objectives that connect them.

---

[14] Denitza Toptchiyska, „Governing AI and Content Moderation Online: The EU Regulatory Approach and Global Multistakeholder Dynamics", *Papers from the International Scientific Conference of the European Studies Department, Jean Monnet Centre of Excellence, Faculty of Philosophy at Sofia University „St. Kliment Ohridski"* 12 (2025): 210-222, https://doi.org/10.60054/PEU.2025.12.210-222

[15] Bradford, Anu. *The Brussels Effect: How the European Union Rules the World*. New York: Oxford University Press, 2020.

[16] Yurukova, Mariya. „Why Freedom of Speech in the EU Is Not Equivalent to the Freedom of Online Platforms to Be Irresponsible and Unaccountable". *Papers from the International Scientific Conference of the European Studies Department, Jean Monnet Centre of Excellence, Faculty of Philosophy at Sofia University „St. Kliment Ohridski"* 12 (2025): 186-209. https://doi.org/10.60054/PEU.2025.12.186-209

This growing complexity creates a communication gap between European institutions and citizens. While policymakers often focus on explaining the content of individual regulations, citizens are more likely to ask a different question: *Why does Europe need all these instruments?* Without a coherent democratic narrative, legislative initiatives risk being perceived as isolated regulatory interventions rather than as components of a broader strategy to protect democracy, fundamental rights, and European security.

Mario Draghi's report on the future of European competitiveness offers a useful parallel. Draghi argues that Europe cannot rely exclusively on regulation if it wishes to remain economically competitive; regulation must be complemented by innovation, investment, and a shared strategic vision[17]. A similar observation applies to democratic governance. Regulation can establish the legal conditions under which democracy functions, but it cannot by itself generate public trust, civic engagement, or democratic legitimacy.

This article therefore argues that the European Union does not suffer from a lack of policies or regulatory instruments. On the contrary, it has developed one of the most sophisticated systems of digital governance in the world. The more fundamental challenge is that the evolution of governance instruments has outpaced the evolution of the democratic narrative that explains their common purpose. Citizens do not need to understand in-depth every regulation, financial programme, or institutional mechanism adopted by the European Union. They do, however, need to understand the values, objectives, and vision that unite them. Without such a narrative, even the most sophisticated regulatory framework risks becoming increasingly difficult to communicate, less meaningful to citizens, and ultimately less effective in strengthening democratic legitimacy. Even more, the complexity of the legislative instruments can be used for disinformation narratives targeting the EU.

In this sense, the European Union's challenge is not simply to regulate the digital environment more effectively, but to reconnect its growing regulatory capacity with a compelling democratic narrative that explains why these instruments matter for the citizens and how they contribute to protecting democracy in the digital age and why the European democracy is better for its citizens than others alternatives.

Recent symbolic steps: connecting European Democracy Shield together with a new EU Strategy for Civil Society

The European Democracy Shield and the EU Strategy for Civil Society are important because they indicate a gradual expansion of the Union's approach beyond digital regulation alone. Presented together in November 2025, the initiatives seek to strengthen democratic resilience through the

[17] Mario Draghi, *The Future of European Competitiveness* (Brussels: European Commission, 2024).

protection of freedom of expression, independent media, electoral integrity, democratic institutions, and civil society organisations.

The European Democracy Shield proposes measures including a European Centre for Democratic Resilience, enhanced protection of electoral processes, support for independent journalism and fact-checking networks, as well as initiatives to improve media and digital literacy. Complementing this effort, the EU Strategy for Civil Society aims to reinforce civic participation through increased funding, stronger protection for civil society organisations, and the establishment of a European Civil Society Platform. Presenting these initiatives, Commission President Ursula von der Leyen argued that they are intended to strengthen democracy, resilience, and citizens' trust in democratic institutions across the European Union[18].

Taken together, these initiatives represent the most comprehensive attempt to date to address the democratic challenges of the digital age. Yet they also raise an important question. Can regulatory and institutional measures alone rebuild public trust in democracy? Or do they primarily strengthen the conditions under which democracy can function without addressing the deeper causes of declining democratic legitimacy? This article argues that while the European Democracy Shield constitutes a necessary evolution of the Union's digital governance framework, it cannot by itself restore citizens' confidence in the democratic project. The defence of democracy ultimately requires more than protecting the information environment; it requires a renewed democratic narrative capable of reconnecting citizens with the values, purposes, and promises upon which European democracy has historically relied.

Conclusion

The challenge that the EU is facing is no longer simply to regulate the digital space or counter disinformation. The deeper challenge is to protect and rebuild the conditions that make democratic governance possible: public trust, civic participation, democratic legitimacy, freedom of expression, the rule of law, and citizens' capacity to navigate an increasingly complex information environment. In the digital age, democracy will therefore be defended not only through stronger laws and more effective institutions, but also through a compelling democratic narrative capable of explaining why democracy remains the most legitimate framework for securing freedom, prosperity, security, and political agency.

The European democratic model has not failed to deliver. In comparative global terms, EU Member States continue to perform strongly across indicators of prosperity, social development, and life satisfaction. Yet these aggregate achievements coexist with substantial differences within the Union. These

[18] European Commission. „European Democracy Shield and EU Strategy for Civil Society Pave the Way for Stronger and More Resilient Democracies". Press release IP/25/2660, November 12, 2025. European Commission Press Corner

disparities matter politically because democratic legitimacy is shaped not only by absolute levels of prosperity, but also by citizens' expectations, social comparisons, perceived fairness, and their everyday experience of economic and political opportunity.

This is precisely where contemporary information manipulation becomes particularly effective. Disinformation does not create most democratic vulnerabilities from nothing; it identifies, amplifies, and politically reinterprets existing inequalities, frustrations, historical memories, and declining trust. Its narratives can therefore be adapted to different national contexts: economic peripheralisation in one Member State, cultural or identity anxieties in another, distrust of institutions elsewhere. The diversity of these vulnerabilities helps explain why the European Union cannot rely on a one-size-fits-all communication strategy. What is required is a shared European democratic narrative sufficiently coherent to articulate common principles, but sufficiently flexible to resonate with the different historical experiences and socio-economic realities of individual Member States.

The historical sources of European legitimacy illustrate this challenge. Peace, prosperity, convergence, freedom, and equal membership remain important sources of European legitimacy, yet their meaning is increasingly contested. The Russian and American examples demonstrate, in fundamentally different political and geopolitical contexts, that external actors can challenge not only EU policies but also the meaning of the values upon which European legitimacy rests.

For this reason, the next phase of European democratic governance must move beyond the protection of information alone. Information integrity remains indispensable, and the European Union's regulatory framework provides essential safeguards against manipulation, opaque platform power, and foreign interference. Yet regulation can create the conditions for democratic resilience; it cannot by itself generate trust, participation, or a shared sense of political purpose.

A renewed European democratic narrative must reconnect institutional action with citizens' lived experiences. It must explain why peace may require the defence of sovereignty, why freedom requires both protection against state censorship and accountability in the exercise of private platform power, and why prosperity must be understood not only as aggregate economic growth but also as security, opportunity, fairness, and social mobility.

A new democratic narrative is therefore not merely a communication strategy or an instrument for countering disinformation. It is a strategic requirement for the resilience of European democracy. Its credibility, however, will ultimately depend on more than communication. Democratic narratives become persuasive when they correspond to political and social realities. The long-term resilience of European democracy will depend on whether the Union can connect its considerable regulatory, institutional, economic, and normative capacity with a democratic promise that citizens across different Member States can recognise as meaningful in their own lives.

References

1. Balestra, Carlotta, Jakub Caisl, and Luiz Hermida. *Mapping Trends and Gaps in Household Wealth across OECD Countries*. OECD Papers on Well-being and Inequalities, no. 37. Paris: OECD Publishing, 2025. https://doi.org/10.1787/4bb6ec53-en
2. Bolt, Neville. „The Future Is More Than What Happens Next: Strategic Communications and the Twenty-First Century". *Defence Strategic Communications* 15 (Spring 2025): 14-46. https://doi.org/10.30966/2018.RIGA.15.1
3. Bradford, Anu. *The Brussels Effect: How the European Union Rules the World*. New York: Oxford University Press, 2020.
4. Catherine E. De Vries, „How Foundational Narratives Shape European Union Politics", *JCMS: Journal of Common Market Studies* 61, no. 4 (2023): 867-881, https://doi.org/10.1111/jcms.13441
5. Consolidated Version of the Treaty on European Union. Official Journal of the European Union C 202, June 7, 2016. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:12016M/TXT
6. Denitza Toptchiyska, „Governing AI and Content Moderation Online: The EU Regulatory Approach and Global Multistakeholder Dynamics," *Papers from the International Scientific Conference of the European Studies Department, Jean Monnet Centre of Excellence, Faculty of Philosophy at Sofia University „St. Kliment Ohridski"* 12 (2025): 210-222, https://doi.org/10.60054/PEU.2025.12.210-222De Vries, Catherine E. „How Foundational Narratives Shape European Union Politics". *JCMS: Journal of Common Market Studies* 61, no. 4 (2023): 867-881. https://doi.org/10.1111/jcms.13441
7. Draghi, Mario. *The Future of European Competitiveness*. Brussels: European Commission, 2024.
8. European Commission. „European Democracy Shield and EU Strategy for Civil Society Pave the Way for Stronger and More Resilient Democracies". Press release IP/25/2660, November 12, 2025. European Commission Press Corner
9. European External Action Service. „Safeguarding Democracy: Building Resilience against Identity-Based Disinformation". November 8, 2024. https://www.eeas.europa.eu/eeas/safeguarding-democracy-building-resilience-against-identity-based-disinformation_en.
10. European Strategy and Policy Analysis System (ESPAS). *Global Trends to 2040: Choosing Europe's Future*. 2nd ed. Luxembourg: Publications Office of the European Union, 2024. https://doi.org/10.2760/689540
11. Treaty on European Union (TEU), art. 2.
12. Eurostat. „Ireland's Housing Cost Overburden Rates Below EU Average". *Eurostat News*. September 23, 2025. https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20250923-1
13. World Bank. „GDP per Capita, PPP (Current International $)." *World Development Indicators*. Accessed July 21, 2026. https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD
14. World Happiness Report, „Data Table", accessed July 21, 2026, https://data.worldhappiness.report/table
15. Yurukova, Mariya. „Why Freedom of Speech in the EU Is Not Equivalent to the Freedom of Online Platforms to Be Irresponsible and Unaccountable". *Papers from the International Scientific Conference of the European Studies Department, Jean Monnet Centre of Excellence, Faculty of Philosophy at Sofia University „St. Kliment Ohridski"* 12 (2025): 186-209. https://doi.org/10.60054/PEU.2025.12.186-209

COUNTERING MISINFORMATION WITHOUT CONTENT CONTROL: CONSTITUTIONAL PERSPECTIVES ON THE CONDITIONS OF DEMOCRACY

Prof. Douglas B. McKechnie
Department of Law
United States Air Force Academy

Abstract:

This paper examines the tension between countering misinformation and preserving freedom of expression in democratic societies. Drawing on U.S. constitutional law, it explores the risks associated with the state regulating misinformation and determining truth in public discourse. The analysis demonstrates that such approaches undermine democratic legitimacy and the conditions necessary for self-governance. Accordingly, the paper argues that misinformation is best addressed through contestation rather than suppression. Instead of content control, the paper suggests structural, content-neutral approaches, including promoting competition among social media platforms and enhancing transparency, as a means of increasing access to information.

Keywords: Misinformation, freedom of expression, democratic legitimacy, content neutrality, platform regulation

The Tension Between Misinformation and Freedom of Expression as an Essential Element of Democratic Resilience

Misinformation has always posed a challenge to the efficient and effective function of the state.[1] While a state may perceive a benefit to distributing its own misinformation, rarely will it welcome the distribution of misinformation

[1] For purposes of this paper, the term „misinformation" is used broadly. It encompasses two types of speech. First, it includes false or misleading information shared without intent to deceive. It also includes intentionally deceptive speech or „disinformation". Although debates about regulating falsities often distinguish between the two based upon speaker intent, U.S. constitutional law generally does not recognize a categorical or doctrinal distinction. Instead, constitutional analysis ordinarily turns on whether the expression is connected to a concrete and legally cognizable harm. Thus, while intent may become relevant in some contexts, the larger concern addressed in this paper is the implications of allowing the state to determine truth and falsity.

it does not control. Whether originating within its sovereign territory, or beyond, misinformation can have a variety of impacts. Misinformation can have the negligible impact of simply misleading the population regarding an innocuous fact. However, misinformation can also undermine the state's domestic and foreign policy goals, weaken social cohesion, and even threaten the stability and existence of the state itself. Authoritarian states that encounter what they perceive to be misinformation have little incentive to consider the negative implications of content control. Just the opposite. The control of information, whether true or false, through propaganda, surveillance, and censorship is an inherent aspect of authoritarian systems.[2] Democracies, however, have no such luxury.

Democratic states, no less than authoritarian states, can be negatively impacted by falsities. Nevertheless, while the control of information may be a feature of authoritarianism, a condition of democracy is that information is free to flow among its citizens. Unlike authoritarian states, democratic states recognize that citizens must be free to produce, share, and receive information. These freedoms are a valuable norm unto themselves. Even so, the freedom to express oneself and consider the ideas of others has a variety of effects that reinforce democracy itself. Freedom of expression allows the individual to develop independent thoughts, realize his full potential, and move beyond what authoritarianism would have him be, merely a tool of that state.[3] The freedom to share ideas and consider the ideas of others also facilitates the discovery of fresh insights and new knowledge.[4] Through the discovery process, while both banal and consequential ideas are considered and reconsidered, falsities inevitably enter the discussion.[5] Falsities, however, are valuable. They can reinforce truths or expose the weaknesses of long held dogmas.[6] It is unchallenged truths that produce unthinking believers and retard their capacity to engage critically with ideas and formulate complex judgments.[7]

These tensions have become increasingly relevant while democracies struggle to confront and regulate online misinformation through platform governance initiatives like the European Union's Digital Services Act.[8] Relying on U.S. constitutional theory, this paper argues that state directed content regulation of misinformation presents risks to democratic legitimacy. These regulations

---

2 Freedom House, „Fake News, Data Collection, and the Challenge to Democracy", in Freedom on the Net 2018: The Rise of Digital Authoritarianism, accessed May 23, 2026, https://freedomhouse.org/report/freedom-net/2018/rise-digital-authoritarianism.

3 Thomas I. Emerson, „Toward a General Theory of the First Amendment," Yale Law Journal 72 (1963): 877- 80.

4 Ibid., 878-79.

5 Ibid., 878.

6 Ibid., 879-80.

7 Ibid., 880.

8 Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market for Digital Services (Digital Services Act), 2022 O.J. (L 277) 1.

empower states to determine truth in public discourse, raising a variety of concerns. Chief among them is whether the state has the capacity to identify falsehoods. Just as importantly, democratic legitimacy is undermined when it assumes authority over determining truth in public discourse.

Perhaps most directly tied to the fundamental processes of democracy, the freedom to express and evaluate ideas is essential to the cycle of representative self-governance.[9] To legitimately claim the consent of the governed, democracies must allow citizens to share ideas with each other as well as their representatives.[10] Political decisions made by democratic governments can only legitimately reflect the will of the citizens if those citizens were free to propose, consider, and advocate for those policies which they believe to be in the best interest of themselves and their community.[11] Some opinions and proposals will be based on false presumptions or mistaken information, which may lead to demonstrable false statements. Moreover, those false statements may be of little utility or may undermine the search for the most beneficial policies. That is, however, inevitable in societies committed to ensuring that free, robust debate has the breathing space to flourish.[12] To that end, the state has a responsibility to ensure its laws and policies do not interfere with that process.

Thus, democracies are confronted with a tension between two legitimate interests: protecting free speech as a precondition and countering misinformation. Evaluating the truth of statements and punishing falsities, however, is not the role of the state. Any attempt to sanitize the debate on matters of public concern, even if done in good faith, only serves to undermine the very purpose of free speech in a democracy. Even so, democracies are not helpless. Instead of using the levers of the state to control content and silence perceived falsities, state power should reflect epistemic humility and be used to increase opportunities for pluralism and contestation. U.S. First Amendment jurisprudence and theory provide an analytical lens through which to consider how democracies might respond to misinformation without sacrificing the conditions necessary for self-government.

A Constitutional Theory of Tolerating False Speech

As discussed above, false speech can undoubtedly be damaging. It has the capacity to mislead and misinform; ignorance as to truth is its own harm. Yet there are still more palpable, cognizable harms. Misinformation can mislead people into making harmful decisions about their health and safety. False statements can also harm reputations and economic interests. At the same time, dissent and minority viewpoints risk being labelled misinformation when they

---

[9] Emerson, „General Theory of the First Amendment“, 879.

[10] Ibid., 882-83.

[11] Ibid., 883.

[12] N.Y. Times Co. v. Sullivan, 376 U.S. 254, 271 (1964).

conflict with the state's interests or the majority's beliefs about a matter of public concern. The state, however, holds disproportionate power over declarations of truth. Through its own, often outsized, control or influence over major channels of communication, the state can amplify its perspectives and overwhelm opposing views. In addition, the state possesses exclusive, legitimate police power to criminalize and redress public wrongs.[13] This concentrated authority over both the dissemination of the state's own speech, and the power to punish other speakers, presents a structural risk to democratic legitimacy. In the U.S. context, the First Amendment was a „natural outgrowth of the framers' distrust of government attempts to ... suppress dissent."[14] Thus, U.S. constitutional jurisprudence offers a distinctive theory of democratic truth-finding. It is one that rejects state control over truth in favour of open contestation, even at the cost of tolerating false speech.

A. Distrust of State Truth Determination and the Marketplace of Ideas

Perhaps one of the fundamental cornerstones of modern constitutional democracy is that, presumptively, the state lacks the authority to prohibit speech because of its content or viewpoint.[15] For that reason, speech regulations must be presumed unconstitutional.[16] Even so, every democracy recognizes limited exceptions. In the United States, however, the constitutionally unprotected categories of speech are narrow and fixed, and the state is forbidden from expanding them based on an ad hoc balancing of the harms associated with particular expression.[17] Defamation and fraud are certainly categories of speech that remain unprotected by the First Amendment because of the individual, cognizable harm to a victim.[18] But falsity alone is not enough to remove a statement from the Constitution's protection because „[u]nder the First Amendment there is no such thing as a false idea."[19] The First Amendment prohibits the state from selecting the truth because granting that authority alone, even if unused, would chill the robust debate about matters of public concern that democracy requires.[20]

Democratic resilience demands an engaged polity that not only believes in but can also participate in the vigorous discussions needed to direct society and the state.[21] At times those discussions are fierce and vituperative because they

---

[13] Randy E. Barnett, The Proper Scope of the Police Power, 79 Notre Dame L. Rev. 429, 479 (2004).

[14] Kennedy v. Bremerton Sch. Dist., 597 U.S. 507, 524 (2022).

[15] Brown v. Entm't Merchs. Ass'n, 564 U.S. 786, 791 (2011).

[16] United States v. Alvarez, 567 U.S. 709, 709 (2012).

[17] Brown, 564 U.S. at 792.

[18] Gertz v. Robert Welch, 418 U.S. 323, 341 (1974); Alvarez, 567 U.S. at 709.

[19] Alvarez, 567 U.S. at 709; Gertz, 418 U.S. at 339.

[20] Alvarez, 567 U.S. at 723; Sullivan, 376 U.S. at 270.

[21] Sullivan, 376 U.S. at 269.

revolve around important political decisions and questions of self-governance. In the process of engaging with these questions, falsities are inevitably presented as true. Nevertheless, the constitutional protection of speech cannot demand, or turn on, its truth.[22] Instead, recognizing its inevitability, protecting even falsehoods ensures the breathing room that freedom of speech needs to survive.[23] Moreover, false statements and factual errors must not be punished as one person's truth is another person's lie.[24] The alternative would empower the state to settle disagreements about truth and falsities, and the prospect of having state adjudication of truth provides scant comfort to a speaker whose views are highly objectionable to the majority.[25]

This concern is not merely theoretical. The appeal of empowering the state to identify and suppress misinformation is often strongest when its judgments align with one's own understanding of truth. When the state's determinations track the views of the current majority, its interventions may appear not only justified, but necessary. Yet in a pluralistic democracy political power is not fixed. As governing coalitions shift, so too may the state's conception of what constitutes misinformation. A regulatory framework used by the state to suppress one set of disfavoured ideas may be deployed against another in the future. In this way, the authority to declare truth, once granted, is not easily confined to preferred ends, but instead becomes a tool available to successive governments with differing, and potentially conflicting, views of truth and reality.

The framers of the U.S. Constitution believed that open deliberation within a free society, even when the majority deems an idea false, was both an end in itself and a means of self-government.[26] The right to free speech reflects a constitutional judgment that it is not merely instrumental to democratic outcomes, but a fundamental value in its own right, deliberately placed beyond shifting political majorities.[27] When free speech appears to threaten social stability, the framers had confidence that debate and reason would expose falsehoods.[28] The state must only be empowered to intervene when the resulting danger from speech is so imminent and likely that society cannot afford to wait for debate and criticism of the idea.[29] If ideas are fated to achieve acceptance by dominant social forces, then a constitutional commitment to free speech demands that the ideas be afforded the opportunity to compete freely and to succeed through persuasion rather than suppression.[30]

---

[22] Ibid., 271.

[23] Ibid.

[24] Cohen v. California, 403 U.S. 15, 25 (1971).

[25] Zechariah Chafee Jr., Free Speech in the United States (1941), 20.

[26] Whitney v. California, 274 U.S. 357, 374-75 (1927) (Brandeis, J., concurring).

[27] Barnette, 319 U.S. at 638.

[28] Whitney, 274 U.S. at 377.

[29] Abrams v. United States, 250 U.S. 616, 630 (1919) (Holmes, J., dissenting).

[30] Gitlow v. New York, 268 U.S. 652, 673 (1925) (Holmes, J., dissenting).

B. The Listener's Right to Hear and the State's Right to Speak

Questions of regulating misinformation often centre on the democratic implications of proscribing a speaker's ability to share ideas and the concomitant limiting of information available for consideration. While, as a theoretical matter, there is a deleterious impact on democratic values when the state enforces a reduction in available ideas for consideration, there are also practical considerations regarding prospective listeners and the state's role as a speaker. When the state proscribes misinformation, potential listeners lose the opportunity to consider information. At the same time, it has no legally enforceable duty to tell the truth.

In most constitutions, the right to free speech is specifically, textually guaranteed. While not always expressly protected, the right to access information is an equally fundamental right necessary to make the enumerated right to free speech meaningful and effective.[31] The right to express ideas is certainly a discrete benefit to the speaker. Conveying one's thoughts can lead to the enhancement of self-discovery and individuality.[32] In the context of public discourse, however, the right to share ideas is of little value without a corresponding right to receive them.[33] Indeed, if a listener is willing to receive information, the state has no legitimate authority to interfere in that transaction and, ultimately, the listener's inquiries.[34] Even where the state has a sincere belief that the information is misinformation or worthless, it is powerless to decide for the audience that the idea is not worth considering.[35] Popular sovereignty and democratic accountability demand that the decision rests with the listener alone.

This right to receive information is closely related to protection from the state meddling with one's private contemplations.[36] The state may not intervene with an individual's freedom to decide what is worth pondering and what satisfies one's intellectual curiosity.[37] The individual must be free to consider each idea, whether new, revised, or reiterated, even though the state believes the idea to be propaganda or meritless.[38] When the state punishes the dissemination of an idea because the idea is implausible, it transcends rightful constitutional constraints and exercises unacceptable power and authority. It asserts its own infallibility regarding the correct viewpoint, as well as the right to interfere with an individual's personal deliberations in an effort to protect his mind.[39]

---

[31] Lamont v. Postmaster Gen., 381 U.S. 301, 308 (1965) (Brennan, J. concurring).

[32] Emerson, General Theory of the First Amendment, 879-880.

[33] Ibid.

[34] Lamont, 381 U.S. at 310 (Brennan, J. concurring).

[35] Ibid., 308-09; Stanley v. Georgia, 394 U.S. 557, 564 (1969).

[36] Stanley, 394 U.S. at 565.

[37] Ibid.

[38] Ibid., 564-65.

[39] Ibid., 560, 565.

To be sure, propaganda is not a Twenty First Century phenomenon. For example, U.S. citizens in the Twentieth Century were not only subjected to, but voluntarily requested, foreign propaganda through the mail system.[40] The U.S. government's response was not to prohibit the delivery of the materials, but to simply require the recipient affirmatively request delivery of the materials.[41] Nevertheless, the U.S. Supreme Court determined that requiring even that minor administrative task interfered with the unfettered free speech rights of the recipient.[42] The U.S. Supreme Court reasoned that the interchange of ideas through the mail was virtually indistinguishable from the interchange of ideas through spoken word and that the administrative task could be deterrent a recipient from receiving information he desires.[43] Today, the interchange of ideas through social media is no different from use of the mail in the Twentieth Century. The state's interest in regulating propaganda through mail in the Twentieth Century is the same in the digital age. While the mode of communication has changed, the constitutional limitation on the state has not. Once state officials have denounced information by labelling it false, it chills the recipient's right to consider any idea she chooses, regardless of the delivery method.

Concerningly, when the state is empowered to regulate misinformation, a form of unilateral disarmament is established. The state retains the authority to identify, evaluate, and punish privately produced misinformation, while it is free to communicate its own views without comparable constraint. This asymmetrical relationship is untenable. Inevitably, a state makes decisions about addressing a variety of relevant topics facing society, whether political, scientific, or some other matter of public concern. It will formulate a perspective and communicate it to society. In this context, the state is free to say what it chooses, both from a content and viewpoint perspective.[44] Generally, save other constitutional restraints, an enumerated right to free speech does not confine the state's speech, it confines its authority to regulate the individual's speech.[45] The accuracy, wisdom, or honesty of the state's communication are constitutionally irrelevant. If the contrary were true, the state could not function.[46]

If the state were constitutionally mandated to choose truthful speech, each of its pronouncements would be open to challenge in court.[47] Opposition within society could routinely petition to review the state's assertions and provide evidence that they were untrue.[48] It would then call to the judiciary to admonish,

---

[40] Lamont, 381 U.S. at 304-05.

[41] Ibid., 303-04.

[42] Ibid., 305.

[43] Ibid.

[44] Ibid., 467-468; Walker v. Tex. Div., Sons of Confederate Veterans, Inc., 576 U.S. 200, 207 (2015).

[45] Pleasant Grove City v. Summum, 555 U.S. 460, 467 (2009); Walker, 576 U.S. at 208

[46] Walker, 576 U.S. at 207.

[47] Ibid., 207-208.

[48] Ibid.

punish, or enjoin the state from lying. A process as impractical as it is ineffective. Instead, the state is simply one more speaker in the debate about the topics it chooses to address. It will make value judgments that generally reflect the electorate's values.[49] It is then for the electorate to decide whether the message is truthful and, through the electoral process, whether the message is to be repeated.[50]

Structural Remedies: Regulating for More Information

Democracies should be extraordinarily vigilant when the state asserts the authority to regulate social media. Whether its goals are laudable or nefarious, a commitment to free speech and constitutionalism demands that the state remain neutral and refrain from mandating social media platforms publish or prohibit particular messages.[51] Like newspapers of the past, social media platforms must retain editorial freedom to choose whether and how to curate the voices one finds when accessing the platform. To be sure, when compared with newspapers, technological and psychological manipulation make consuming information through social media a different endeavour altogether. However, when considering the state's interest in prohibiting misinformation on social media platforms, it is fundamentally no different than a state interest in prohibiting misinformation in a newspaper. In either case, as the sole competent authority, it is the state's final determination of what constitutes misinformation and whether it has been published. In a constitutional democracy, this is a competency the state should not have.

If, as discussed above, free speech and constitutional principles suggest that state cannot play, it must rely on other tools to address misinformation. It should employ tools that focus on the structure of the information environment by increasing information. Indeed, focusing on structure reflects a commitment to increasing the abundance of voices, thereby increasing democratic resiliency by reducing the likelihood that a single ideology will capture the state. Moreover, structural tools that increase information allow society to confront and negotiate differences instead of resorting to suppression. Contestation of ideas not only furthers democratic legitimacy, when compared with censorship, it is more durable and corrective overtime. To that end, instead of content control, the state should use its commercial regulatory powers to increase competition and thus sources of information. In addition, it can require transparency to increase the clarity of who is speaking.

Perhaps one of the most troubling features of social media is the monopolies that have formed. If an information ecosystem is to facilitate the consideration of a variety of perspectives about truth and falsity, one must have access to a

---

[49] Ibid., 207.

[50] Ibid.

[51] Moody v. NetChoice, LLC, 603 U.S. 707, 731 (2024).

variety of venues to share and receive information. Consumers seeking information from social media platforms, however, have few platforms from which to choose.[52] The concentration of ownership over the means of modern communication limits the functioning of the marketplace of ideas. Social media companies can exert their authority to manage what information is available by algorithmically depressing or elevating voices, while speakers and listeners have few alternatives. While increasing the options of social media platforms will not eliminate misinformation, it could increase the opportunities to confront it with alternatives or avoid it altogether.

Within the context of free speech, the primary constitutional concern when regulating social media companies is the state restraining the information that can be published by identifying it as false or propagandistic. That same concern, however, is not a constitutional defence against antimonopoly policies.[53] It would be an impracticable paradox if the very freedom that prohibits the state from stifling the expression of ideas also prohibits it from ensuring that no single platform, or small group of platforms, can do the same.[54] A constitutional principle that prohibits the state from interfering with the free flow of diverse ideas cannot also prohibit it from ensuring others do not do the same. The state may be prohibited from requiring social media platforms to publish, or refrain from publishing, an idea because of its content. Nonetheless, the state may use its economic regulatory powers to ensure that the „freedom to publish means freedom for all and not for some."[55] Requiring the publication of ideas to increase contestation opportunities would violate a publisher's free speech rights. However, increasing opportunities for contestation by increasing sources of information through divestiture or dissolution remains a content neutral tool of the state.

In addition to antimonopoly policies, transparency requirements are another content neutral alternative to regulating misinformation. Those who use social media to share ideas, particularly those speaking on matters of public concern, often intend to influence the specific recipient of the message as well as the larger debate on the topic. Concerns about misinformation arise when those receiving information through social media platforms do not know the speaker's identity and thus are unable to assess the veracity or purpose of the message. Moreover, the recipients of information may not know, or fully appreciate, that the medium itself is manipulating content, including the sources and frequency of ideas presented to the user. Transparency requirements will not eliminate misinformation. Still, they may assist those receiving information through social media platforms by providing additional information to make informed choices not only about a speaker's goals, but also how the way in

---

[52] Teresa Seipp, Media Concentration Law: Gaps and Promises in the Digital Age, Media and Communication 11, no. 2 (2023): 392-405, accessed May 23, 2026.

[53] Associated Press v. United States, 326 U.S. 1, 7 (1945).

[54] Ibid., 20

[55] Ibid.

which the platform delivers information affects its reliability. To that end, transparency requirements within the context of social media might include notice of automated intervention and nonhuman speakers as well as, in some cases, the identity of the speaker.

As a matter of mandating disclosure, a required notice that a social media platform uses algorithmic amplification would simply be a factual statement about a commercial product. This notice would do nothing more than inform the consumer that the platform uses an automated system to manipulate the visibility of content. Similarly, a required notice that content is being produced by artificial intelligence, without more, only discloses that the source is nonhuman. Finally, where speakers are acting at the behest of foreign governments or political parties, a notice requirement would not prohibit their speech, it would merely ensure that the recipient understands that the speaker is acting as an agent whose views are likely intended to influence and persuade on behalf of foreign interests.

Armed with information about algorithmic amplification, nonhuman authorship, and foreign advocacy, the social media user can then make an independent and more informed choice. He can assess for himself the relevance of the additional information, if the source is trustworthy, or whether to find an entirely different source. Here the state's interest is not inhibiting information sharing or mandating what shall be believed.[56] Instead, its interest is providing the information consumer with more information, not less, and the benefit to the consumer outweighs the social media platform's interest in not providing the information.[57] To be sure, when the state compels speech, the free speech rights of the speaker are implicated. The right not to speak is itself a right.[58] Nevertheless, disclosure requirements do not prevent anyone from speaking, let alone impose a limit on what they may affirmatively say.[59] Additionally, to the extent the state attempts to confront misinformation, disclosure requirements are less impactful on platforms and speakers than what could certainly be more intrusive speech regulations.[60]

Conclusion: Resilience Through Pluralism

Democracies depend on the freedom of their citizens to speak without government intervention, for both practical and theoretical reasons. Through sharing and considering others' ideas, an informed electorate can more effectively engage in self-governance. Moreover, a citizenry that can communicate and receive information freely is more likely to reject attempts to monopolize control over

---

[56] Zauderer v. Office of Disciplinary Counsel of Supreme Court, 471 U.S. 626, 651 (1985).

[57] Ibid.

[58] W. Va. State Bd. of Educ. v. Barnette, 319 U.S. 624, 642 (1943).

[59] Citizens United v. FEC, 558 U.S. 310, 366 (2010).

[60] Ibid., 369.

society, thus producing more resilient democracies. Nevertheless, false information can undoubtedly undermine not only the health and welfare of a society, but the very principles of democracy itself. Therefore, democracies have a choice. They can empower the state to regulate what it perceives to false information or trust citizens to counter misinformation through vigorous contestation. Democratic legitimacy and a constitutional commitment to free expression demand the latter.

When the state labels speech as false, it asserts the right and ability to determine truth, whether the label applied is „misinformation," „propaganda," or „disinformation." These labels, however, have deleterious impacts. Primarily, they disregard speakers' fundamental rights to not only believe, but also articulate what they believe, even if unpopular. Relatedly, when the state declares and enforces truth, listeners are prohibited from choosing what perspectives to consider. These labels also ignore the demand that, as part of a commitment to pluralism, democracies tolerate the inevitability of untruths will enter debate on matters of public concern. Moreover, if the state can determine truth, it may apply its police powers to punish perspectives that conflict with that truth. This authority, once asserted, even if in good faith, is not readily abandoned. Content control is not the solution. Still, the state is not helpless.

Instead of narrowing the range of permissible ideas, democracies should use structural, content neutral tools to increase access to information. Using economic regulatory policies, democratic states can address monopolistic behaviour by those that have amassed disproportionate control over modern means of communication. By breaking up social media platforms into smaller entities that will compete for users, consumers will have more options to consider for both sharing and receiving ideas. Transparency requirements similarly increase the range of information by allowing consumers to assess the reliability and veracity of messengers and messages. To be sure, these devices are not designed to eliminate misinformation, and tolerating falsities in public debate can pose a danger to democracies. However, the risk outweighs the dangers posed to democracy when the agent can determine for the principal what is true.

References

1. Abrams v. United States, 250 U.S. 616 (1919).
2. Associated Press v. United States, 326 U.S. 1 (1945).
3. Barnett, Randy E. „The Proper Scope of the Police Power". Notre Dame Law Review 79 (2004): 429-492.
4. Brown v. Entertainment Merchants Association, 564 U.S. 786 (2011).
5. Chafee, Zechariah Jr. Free Speech in the United States. 1941.
6. Citizens United v. Federal Election Commission, 558 U.S. 310 (2010).
7. Cohen v. California, 403 U.S. 15 (1971).

8. Emerson, Thomas I. „Toward a General Theory of the First Amendment.“ Yale Law Journal 72 (1963): 877-907.
9. European Union. Regulation (EU) 2022/2065 of the European Parliament and of the Council (Digital Services Act).
10. Freedom House. „Fake News, Data Collection, and the Challenge to Democracy“. In Freedom on the Net 2018: The Rise of Digital Authoritarianism. Accessed May 23, 2026. https://freedomhouse.org/report/freedom-net/2018/rise-digital-authoritarianism.
11. Gertz v. Robert Welch, Inc., 418 U.S. 323 (1974).
12. Gitlow v. New York, 268 U.S. 652 (1925).
13. Kennedy v. Bremerton School District, 597 U.S. 507 (2022).
14. Lamont v. Postmaster General, 381 U.S. 301 (1965).
15. Moody v. NetChoice, LLC., 603 U.S. 707 (2024).
16. New York Times Co. v. Sullivan, 376 U.S. 254 (1964).
17. Pleasant Grove City v. Summum, 555 U.S. 460 (2009).
18. Seipp, Teresa. „Media Concentration Law: Gaps and Promises in the Digital Age“. Media and Communication 11, no. 2 (2023): 392-405.
19. Stanley v. Georgia, 394 U.S. 557 (1969).
20. United States v. Alvarez, 567 U.S. 709 (2012).
21. Walker v. Texas Division, Sons of Confederate Veterans, Inc., 576 U.S. 200 (2015).
22. West Virginia State Board of Education v. Barnette, 319 U.S. 624 (1943).
23. Whitney v. California, 274 U.S. 357 (1927).
24. Zauderer v. Office of Disciplinary Counsel of the Supreme Court, 471 U.S. 626 (1985).

DEMOCRATIC RESILIENCE AS THE EUROPEAN UNION'S STRATEGIC RESPONSE TO GLOBAL POWER RIVALRY IN THE 21ST CENTURY

Assoc. Prof. Mira Kaneva
Sofia University „St. Kliment Ohridski", Faculty of Law
ORCID: 0000-0001-8807-2284

Nikola Peykov, PhD student
Sofia University „St. Kliment Ohridski", Faculty of Law

Abstract

The paper examines democratic resilience as an operational strategic instrument of the European Union in the Black Sea region, conceptualized as a critical arena of global power rivalry. Democratic resilience has been injected into high politics for a decade now which means that it has further triggered the securitization of EU's response to polycrisis. The ontological uncertainty about the agency of the EU concerns its robustness in the hegemonic struggles between three global powers – the US, China, and Russia. The authors argue that the democratic resilience concept is ambivalent because it faces the EU's dilemma between the soft normative power of promoting liberties and the hard civilian power of guaranteeing its geopolitical survival. External structural shifts urge the EU to balance between being principled and acting pragmatically in a highly volatile and polarized international context of revisionist states.

Through three empirical cases, the analysis demonstrates how the EU counters Russian hybrid destabilization, mitigates Chinese economic and technological dependencies, and employs resilience as a pathway toward strategic autonomy in partnership with the United States. The region is presented as a litmus test for the EU's capacity to project stability below the threshold of conventional conflict.

Keywords: EU democratic resilience, Black sea region, power rivalry, principled pragmatism

Author Contributions. The Introduction and Part I were written by Mira Kaneva. Part II and the Conclusion were written by Nikola Peykov.

Introduction

Recent global developments are popularly hashtagged with numerical prefixes #multi and #poly which seems like a rhetorical device to pass the buck on the complexity of the contemporary world. Such are the cases of the multitude in power rivalry (multipolarity, multiplexity) and the polymorphism of risks (polycrisis[1]) which have been confronting the European Union for at least two decades now.

This paper argues that democratic resilience defines the EU's response to security risks in the Black sea region. Recent critical developments in the context of the global power rivalry between the US, China, and Russia have faced the European Union with a strife for its survival as a sustainable entity. In theoretical terms, the authors contend that the concept of democratic resilience is ambivalent because it faces the EU's dilemma between the soft normative power of promoting liberties and the hard civilian power of guaranteeing its geopolitical role. In practical terms, external structural shifts in power urge the European Union to balance between being principled and acting pragmatically in a highly volatile and polarized international environment. Through the conceptual framework of power and the analytical framework of three case studies (2020-2026), the paper demonstrates how the EU counters Russian hybrid destabilization in Moldova, mitigates Chinese economic and technological dependencies in Romania, and recovers from the pro-Trump anti-democratic rhetoric in Bulgaria.

Part I: Conceptual Dimensions of Democratic Resilience

Although the EU asserts in its strategic communications that it wields what Nye calls a „smart power" („hard and soft power go hand in hand"),[2] it employs in fact civilian and normative power as part of its democratic resilience toolkit. The European Union Global Strategy (EUGS) defines resilience in three dimensions: in terms of height (agency), width (spatiality), and depth (functionality). First, states and societies are both engaged in resilience because democracy is about safeguarding rule of law and stable institutions, as well as about the protection of human rights. Second, resilience efforts are envisaged to stretch not worldwide but have outreach only to the neighbourhood (to the east into Central Asia, and south down to Central Africa). Third, resilience involves three types of sequential strategic measures:

- reform and recover, which means upholding liberal values in times of democratic backsliding

---

[1] Monika Panayotova, „European Democracy in the Era of Artificial Intelligence and Polycrisis"// „Европейската демокрация в ерата на изкуствения интелект и условията на поликризисност", *Research Papers of UNWE// Научни трудове на УНСС* 4 (2024): 11-42.

[2] The Diplomatic Service of the European Union, „*European Union Global Strategy"* (2016): 4, 9, 23-26.

- withstand, which means strengthening defensive capabilities against imminent hybrid threats, and
- adjust, which means coping with anxiety from underperformance as compared to emergent powers and technologies.

1.1. The Ambivalence of Principled Pragmatism

The academic debate on EU democratic resilience has lasted for a decade now. The most permeating academic definition as of 2026 belongs to Wolfgang Merkel: 'the capacity of a democratic regime to absorb external challenges and internal stressors and to dynamically adapt to the changing functional conditions of democratic governance without falling into regime change and abandoning or damaging democracy`s defining norms, functions and institutions'.[3] The conceptual and practical fallacy of this definition is that it is restricted to a state-centric model and is incapable of explaining the behaviour of superstate actors such as the EU in the international context. A content analysis of two strategic documents will give more insights.

The term „resilience" in EUGS encompasses a multitude of contexts which Juncos praises as „malleability", since it is preferred over politically riskier concepts such as democratisation.[4] It is through the linchpin of crisis management that democratic resilience has been adopted in political sciences as a new form of anticipatory governance or preventive strategy. This pragmatic turn fosters local ownership (a bottom-up approach) in a way that should not be interpreted as hegemonic use of power, but rather as transfer of knowledge (training, monitoring, mentoring and advising) to candidate states and partner states. The empowerment approach, however, if it is to remain truly realistic in the sense of uninterested in the objectives of reform measures, may actually diverge from the logic of the normative power of the EU – for example, it may become problematic should it allow strengthening of authoritarian regimes.

As a soul-searching global approach,[5] the pragmatism in resilience raises high hopes among practitioners to be principled. Moreover, recent developments in democratic resilience as regards the information and cognitive ecosystem show that moral relativism may backfire against the EU as is the case with hybrid threats. Value-based resilience resonates better among scholars, or as Wagner and Anholt argue, „'resilience' has become the Global Strategy's leitmotif because it is a perfect middle ground between over-ambitious liberal peacebuilding and the under-ambitious objective of stability".[6] From the

---

[3] Wolfgang Merkel, „What is democratic resilience?", *Democratization*, 33, no. 3 (2026): 474.

[4] Ana E. Juncos, „Resilience as the new EU foreign policy paradigm: a pragmatist turn?", *European Security* 26, no. 1 (2016): 3.

[5] Giovanni Grevi, „A Global Strategy for a soul-searching European Union" (*European Policy Centre*, 2016): 7.

[6] Wolfgang Wagner and Rosanne Anholt, „Resilience as the EU Global Strategy's new leitmotif: pragmatic, problematic or promising?", *Contemporary Security Policy* 37, no. 3 (2016): 415.

practitioners' perspective, though, this paradoxical approach, converging the Realist interpretation of pragmatism and the Liberal interpretation of idealism, is difficult to implement for two reasons. First, there is a correlation between the unity of the resilient actor and the impact of their activities – if the EU acts as a bloc of states, it may attempt to counterbalance and therefore impose power but cannot rely on legitimacy; if, conversely, the EU acts as an integrative community, it is likely to promote values, but cannot rely on efficiency. Second, the principled pragmatic approach is very much dependent on the context. The ongoing war in Ukraine reveals the pattern of external shocks serving the function of independent variables which determine the behaviour of the EU in times of systemic crises.

As Joseph and Juncos (2024) ascertain, the development of the resilience discourse and practice is related to „a growing sense of epistemic uncertainty which requires novel solutions from policymakers".[7] The pragmatic moment in this epistemic uncertainty is whether policy making will be based on more stereotypical decisions taken under stress or on more radically creative decisions. Moreover, the war in Ukraine clearly shows that resilience is 'more than simply being able to bounce back after disruptive events',[8] i.e. acting reactively as tactics of governance, but also being able to prevent processes of destabilization by maintaining the rule-based order.

1.2. The Multiplexity of the International Context

The Strategic Compass as a 2022 assessment of the EU's strategic environment[9] (in the wake of the Russian aggression in Ukraine) puts forward the external notion of resilience defined as resistance against existential threats to survival of EU member and candidate states alike. At the same time, though, it preserves the ambiguity of the concept because it also includes the internal dimension of resilience defined as protection of critical infrastructures and cybersecurity within the EU. The international context of insecurity has brought more integrity in EU's actions and political discourse, such as the strategic autonomy in trade and defence, but it is unclear whether it has consolidated the inherently controversial concept of principled pragmatism. The Strategic Compass has also outlined the international context as an arena of rivalry – China is defined as a systemic rival (economic competitor), Russia as an aggressor (a military adversary), and the United States as a partner.

The three global powers map out the external environment in terms of agency. It is an environment based on controversial notions of the world order and

---

[7] Jonathan Joseph and Ana E. Juncos, „Conceptual politics and resilience-at-work in the European Union", *Review of International Studies* 50, no. 2 (2024): 377.

[8] Elena A. Korosteleva and Trine Flockhart, „Resilience in EU and international institutions: Redefining local ownership in a new global governance agenda", *Contemporary Security Policy* 41, no. 2 (2020): 19.

[9] The Diplomatic Service of the European Union, „*A Strategic Compass for Security and Defence*" (2022).

specifically the liberal international order.[10] This is about the so-called contested orders or 'situations in which state and non-state actors challenge the norms, principles, and rules according to which societies and political systems are or should be organized'.[11] In this particular case incompatibilities exist on the conceptual level – non-Western powers challenge democratic and liberal orders from the outside; Western powers and domestic elites question rule of law from the inside. Contested orders apply not only to physical areas of limited statehood, such as separatist entities in Moldova and intervening militants in Eastern Ukraine, but also to the cyber domain of limited statehood, such as technological corporations (TikTok) and individuals (Trump).

In terms of the global power rivalry, the EU's strategy of democratic resilience can be best described as a combination between civilian and normative power. The Cold war academic debate addresses the issue of whether the European integrative community is a civilian power which is able to exert influence in international politics in a non-coercive and rather defensive way. This contributed to its positioning as a principled power in the bipolar confrontation between the Eastern and the Western bloc which was mainly focused on the internal market. After the fall of the Iran Curtain and the start of the Eastern enlargement, the European Union began to promote the universal standard of human rights protection, as well as the principles of peace, democratic governance and rule of law. Therefore, it upgraded its civilian power with a global normative component.

Normative power, as introduced and reconsidered by Manners at the beginning of the 21st century,[12] is the driving force of value-oriented action which entails techniques of persuasion, legitimation and role-modelling. It can be interpreted as the ethical branch of soft power.[13] In order to 'shape conceptions of what the „normal" is' in international relations',[14] the EU employs regulations, standards, and institutional mechanisms that guarantee the respect for fundamental democratic values, such liberty, equality and solidarity. Of course, the European Union may exercise normative power only in some geographical or functional contexts (such as the Black sea region) as long as it is short on military power that will enable it to project it globally.

---

[10] Pol Bargués, Jonathan Joseph, and Ana E. Juncos, „Rescuing the liberal international order: crisis, resilience and EU security policy," *International Affairs* 99, no. 6 (2023): 2294.

[11] Eric Stollenwerk, Tanja A. Börzel, and Thomas Risse, „Theorizing resilience-building in the EU's neighbourhood: introduction to the special issue," *Democratization* 28, no. 7 (2021): 1222.

[12] Ian Manners, „Normative power Europe reconsidered: beyond the crossroads", *Journal of European Public Policy* 13, no. 2 (2006): 182-199.

[13] Henrik Larsen, „The EU as a Normative Power and the Research on External Perceptions: The Missing Link", *Journal of Common Market Studies* 52, no. 4 (2014): 897.

[14] Ian Manners, „Normative power Europe: A contradiction in terms?", *Journal of Common Market Studies* 40, no. 2 (2002): 239.

1.3. The Three Doppelggnger of EU's Normative Power

The three dominant military powers nowadays (the United States, the Russian Federation and People's Republic of China) have been defying the EU's normative power by using loopholes and ruptures in the information and cognitive ecosystem. They are confronting the three abovementioned democratic values by using three types of Doppelggngers of soft power (coercive, sharp and sticky); the EU, respectively, resorts to corresponding measures from the toolbox of its resilience strategy.

The democratic value of solidarity is challenged by US coercive power during the second term of Trump's presidency. Trump's flagrant discourse and reckless actions undermine the tenets of the rule-based order and show an openly coercive projection of US power. On the one hand, US coercive power disrupts the pluralist nature of international cooperation by provoking a radical shift from embedded multilateralism to sharp-edged transactional unilateralism.[15] Trump's insistence that European allies dramatically increase their defence budgets (which practically means maximization of military power), and his suggestions that US security guarantees could be conditional on financial contributions, actually subvert the shared norms of the transatlantic partnership. On the other hand, US coercive power is wielded through xenophobic populism[16] which attacks tolerance and civic liberties through social media. Trump articulates, albeit quite primitively, a discontent targeted at old political elites (the Democratic establishment) and aliens (immigrants). As far as US coercive power is gradually eroding the inclusiveness and diversity in European identity, measures to recover the mutual trust are indispensable.

The democratic value of freedom is openly defied by Russia's sharp power. Apart from the populist rise, we are also witnessing an authoritarian resurgence. Walker (2018) argues that as Putin's regime has become more repressive domestically, it has grown emboldened to push further democratic recession internationally.[17] Authoritarian regimes contest democracy at the ideational level by exploiting new digital tools to „pierce, penetrate, or perforate" the information environments of targeted countries,[18] especially in Russia's 'near abroad'. Sharp power finds enough room in open societies to increase polarization and break down democratic consensus. On the one hand, sharp power is difficult to be attributed to certain agents since Russian disinformation is based on deniability which means that the penetration happens through troll factories and bots as force multipliers.[19] On the other hand, if neglected,

---

[15] Sophia Kapadia, 2025). *„The Historical Architecture of U.S. Hegemony: Trump's Second Term and the Evolution of Coercive Power"*, (BA Thesis, John Cabot University, Rome, Italy, 2025): 7.

[16] Colin Crouch, „Post-democracy and populism", *The Political Quarterly* 90, no. S1 (2019): 124-137.

[17] Christopher Walker, „What Is „Sharp Power"?", *Journal of Democracy* 29, no. 3 (2018): 10.

[18] Walker, „What Is „Sharp Power"?", 12.

[19] Francesco Bechis, „Playing The Russian Disinformation Game. Information operations from Soviet tactics to Putin's sharp power", in *Democracy and Fake News. Information Manipulation and Post-Truth Politics,* ed. Serena Giusti and Elisa Piras, 1st edition (Routledge, 2020), 119-130.

sharp power serves as „a preparation for occupation".[20] Sharp power has merged with military power in Ukraine's case where the radicalization through disinformation and manipulation has enabled the normalization of the 'denazification' narrative as casus belli for a full-scale invasion. The moral test for European democratic societies is not to sacrifice their own standards of freedom of speech in order to safeguard against the authoritarians' schemes, so they should resist such censorship 'clickbait'.

The democratic value of equality is undermined by China's sticky power. Sticky power is a concept which is traditionally used to designate the networking effect of global finance[21] through the involvement of different stakeholders; the concept can also be expanded to the attaching characteristics of multilateral institutions. In China's case, multilateralism is highly selective because international institutions are criticized by the Chinese Communist Party as a platform for Western hegemony; therefore, business actors such as state conglomerates are utilized as a leverage for Beijing's economic dominance. On the one hand, internet apps are blatantly obvious conduits for asymmetric economic control by the monopolization of market shares. On the other hand, the expansion of Chinese media footprint happens not only through traditional outlets, but also through the algorithmic radicalization in social networks that gives vent to undemocratic rhetoric. The hybridization of China's ideological influence through the involvement of economic logic and economic actors requires adjustment of the EU's resilience efforts to the needs and uncertainties of the target groups.

Part II: Empirical Dimensions of Democratic Resilience

Building on the theoretical framework outlined in the first part of the current paper, particularly in the debates on democratic resilience and in the context of the typological sequencing (withstand - adjust - recover), the current section examines how the European Union operationalizes democratic resilience across three empirical contexts. The central argument advanced here is that democratic resilience functions as a graduated, multi-level and context-sensitive strategic response, shaped by the interaction between the EU's normative power and distinct modalities of external influence: Russia's sharp power, China's sticky power, and the United States' coercive power in its contemporary discursive manifestation.

Crucially, these cases do not merely illustrate different external pressures; they reveal how the mechanisms, vectors, and effects of influence vary structurally, thereby necessitating differentiated policy responses. The EU's resilience,

---

[20] Polina Khmilevska, „Russia's soft and sharp power on the example of policy towards Ukraine," *Krakowskie Studia Międzynarodowe* 1 (2024): 27-41.

[21] Daniel Haberly and Dariusz Wójcik, „The Paradox of Sticky Power," in *Sticky Power: Global Financial Networks in the World Economy* (Oxford, 2022).

therefore, is not uniform but functionally diversified, aligning with the logic of the EUGS from 2016, namely withstand (resistance), adjust (adaptation), and recover (regeneration).

2.1. U.S. Coercive Power and the Logic of Recovery: The Case of Bulgaria

The first case examines the diffusion of national-populist discourse originating in the United States, particularly during the second presidency of Donald Trump. Unlike the next cases that the current paper will examine, this form of influence is not adversarial but emerges from the transnational circulation of political narratives within allied systems.

The narrative since Trump's second inauguration is characterized by normalization of confrontational and exclusionary rhetoric, delegitimization of institutions and expert authority, emphasis on sovereignty and power politics as well. As Mudde argues, populism operates by claiming exclusive representation of „the people" while undermining pluralism.[22] Furthermore, Levitsky and Ziblatt demonstrate how democratic erosion can occur through the gradual weakening of norms (through the extreme polarization of society) rather than abrupt institutional breakdown.[23]

The second presidency of Donald Trump has contributed to a perceptible weakening of the transatlantic link, not through overt confrontation with allies, but through a more explicit and operationalized form of coercive power rooted in asymmetrical dependence. By instrumentalizing security guarantees, trade relations, and political signalling, Washington has introduced a logic of conditionality that reframes partnership in transactional terms. This shift erodes trust within the transatlantic community and incentivizes strategic hedging among European actors, including Bulgaria, thereby undermining the normative cohesion that traditionally underpinned the alliance.

In Bulgaria, these dynamics intersect with structural vulnerabilities such as low media literacy and fragmented public discourse. As of 2026, Bulgaria ranks 34th out of 41 countries in Europe in the Media Literacy Index.[24] Within this context, externally induced polarization is more readily internalized and reproduced. Empirically, this manifests in heightened polarization around issues such as COVID-19[25] and Ukraine,[26] proliferation of conspiracy narratives

---

[22] Cas Mudde, „The Populist Zeitgeist", *Government and Opposition* 39, no. 4 (2004): 543. https://doi.org/10.1111/j.1477-7053.2004.00135.x.

[23] Steven Levitsky, Daniel Ziblatt, „*How Democracies Die*" (Penguin Books, 2018): 9.

[24] *Open Society Institute Sofia*, „The Media Literacy Index 2026. Measuring Vulnerability of Societies to Disinformation", *Policy brief (*January 2026): 10.

[25] Диана Атанасова-Моллова, „Фалшивите новини и тяхното влияние върху общественото мнение в България", *Бюлетин на факултет „Полиция"*14 (2024): 49.

[26] *Център за изследване на демокрацията*, „Полово дефинирана дезинформация, насочена срещу украинските жени, пребиваващи в България", Policy Brief 148 (2024): 1-11.

and erosion of trust in democratic institutions. Crucially, the interaction between external coercive signalling and domestic informational fragility facilitates a process of discursive normalization, in which confrontational and exclusionary rhetoric becomes embedded in routine political communication.

The response of the EU reflects a logic of recovery, focusing on restoring democratic norms and strengthening societal resilience. The European Democracy Action Plan (EDAP) emphasizes the need to protect electoral integrity, support independent media, and counter disinformation; with media freedom, pluralism and countering disinformation being two of the three main pillars.[27]

In practice, the EU translates the priorities of the EDAP into concrete instruments. In the Bulgarian context, this often materializes through EU-funded projects, partnerships between state institutions and NGOs, and participation in EU-wide rapid alert systems for disinformation. In Bulgaria's case can be observed measures such as stricter transparency requirements for political advertising,[28] the monitoring of online platforms under the framework of the Digital Services Act (DSA),[29] and targeted funding for fact-checking networks.[30] Furthermore, support from the EU was requested in 2026 by Bulgaria in order to prevent foreign interference.[31]

EU's actions towards building democratic resilience in Bulgaria are not merely a defensive reaction to threats such as disinformation, but transformative, addressing the underlying cultural and institutional conditions of vulnerability and emphasizing the ability of democratic systems to regenerate after systematic disruption. Crucially, these measures are not episodic but iterative. They are designed to gradually recalibrate the informational environment, reinforce normative boundaries of democratic discourse, and restore the epistemic authority of credible institutions over time.

2.2. Russia's Sharp Power and the Logic of Withstand: The Case of Moldova

The second case represents an example of sharp power projection by Russia in Moldova. The dynamics that the current paper explores, demonstrate

---

[27] European Commission, „Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and Committee of the Regions on the European Democracy Action Plan", Brussels, 3.12.2020.

[28] Regulation (EU) 2024/900 of the European Parliament and of the Council of 13 March 2024 on the transparency and targeting of political advertising.

[29] 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) (Text with EEA relevance). *Official Journal of the European Union*.

[30] *Factcheck*, „Transparency of funding", (last accessed May 5, 2026).

[31] Antoaneta Roussi, „Bulgaria requests EU support to fend off election meddling in April vote". *Politico*, April 1, 2026.

empirically Russia's strategic interference, specifically through the sustained political pressure directed at the administration of Maia Sandu.

Independent analyses of Moldovan elections document „unprecedented and sophisticated Russian efforts to destabilise Moldova's electoral integrity"[32], which include „coordinated hybrid threats, including cyber-attacks, sustained disinformation, illicit financing, and documented allegations that illicit funds were used to finance vote-buying and organised schemes to facilitate fraudulent voting".[33] Such mechanisms are consistent with the definition of sharp power as the use of manipulative and coercive tools to distort democratic systems;[34] the involvement of oligarchic intermediaries in Moldova, such as Ilan Shor, further illustrates the fusion between domestic and external vectors of influence, a hallmark of hybrid war as conceptualized by Frank Hoffman.[35]

The effects of these operations are both immediate and structural. In the short term, on a national level they generate electoral volatility and institutional distrust; in the long term, they risk undermining democratic consolidation by eroding the legitimacy of governance structures. According to the European External Action Service (EEAS), Moldova has experienced „a sharp increase in hybrid attacks and attempts to undermine its democratic institutions" following Russia's invasion of Ukraine.[36]

At the same time, as this is being viewed as an existential threat to the European Union itself, the Union's response is being institutionalized through the European Union Partnership Mission in the Republic of Moldova (EUPM), established by Council Decision (CFSP) 2023/855.[37] Article 2(b) explicitly defines the mission's mandate as enhancing „resilience... in the areas of crisis management and hybrid threats, including cybersecurity and countering foreign information manipulation and interference (FIMI)".[38] Furthermore, the article specifies the development of early warning, detection, attribution, and response capacities, demonstrating a comprehensive approach to resilience-building.[39]

Empirical assessments indicate that EUPM Moldova has contributed to the creation of national cybersecurity structures and strategic communication

---

[32] Vitor Teixeira, „It's Fundamental: Moldova's Election Results and its EU Future," *Transparency International EU,* October 6, 2025.

[33] Teixeira, „It's Fundamental: Moldova's Election Results and its EU Future".

[34] *National Endowment for Democracy*, „Sharp Power. Rising Authoritarian Influence", 13.

[35] Frank G. Hoffman, „Conflict in the 21st Century: The Rise of Hybrid Wars", (*Potomac Institute for Policy Studies,* 2007): 14.

[36] EEAS, „Targeted Support in action: the case of EUPM Moldova", 2024.

[37] Council Decision (CFSP) 2023/855 on a European Union Partnership Mission in Moldova (EUPM Moldova). *Office Journal of the European Union*, 2023.

[38] Council Decision (CFSP) 2023/855, 2023, 1-2.

[39] Council Decision (CFSP) 2023/855.

capabilities, including institutional frameworks for countering disinformation[40] which confirms that the EU's approach goes beyond reactive measures, embodying a logic of anticipatory resilience. From a theoretical perspective, this corresponds to the „withstand" function: the capacity of democratic systems to resist external shocks while maintaining core institutional integrity. The EU's normative power here is expressed through externalized resilience, extending governance standards beyond its borders.

2.3. China's Subversive Power and the Logic of Adjustment: The Case of Romania

The third case, centred on Romania, illustrates a fundamentally different mode of influence associated with China. Rather than direct coercion, influence is mediated through digital infrastructure, particularly the platform TikTok.

TikTok's algorithmic system exemplifies what can be described as an algorithmic amplification of extremity, whereby engagement-driven recommendation systems[41] disproportionately promote emotionally charged and polarizing content. This dynamic has been empirically linked to distortions in political visibility, where marginal actors can gain disproportionate exposure. The Romanian case with the 2025 presidential election, scheduled after the annulment of the 2024 election due to alleged foreign meddling, demonstrates how algorithmic environments can reshape electoral dynamics. Observations include sudden and disproportionate visibility of fringe political actors, coordinated dissemination patterns indicative of artificial amplification and increased salience of emotionally resonant narratives.

The subversive power that can be observed here aligns with the concept of sticky power, which points to the use of economic attraction to spread one's influence.[42] In this context, China's influence is indirect but structurally embedded, operating through platform architectures and regulatory asymmetries. Investigative reports and civil society monitoring in Romania have pointed to the proliferation of coordinated inauthentic behaviour, including bot-assisted distribution, influencer networks, and opaque funding channels for political advertising. While not always directly attributable to Chinese state actors, these dynamics unfold within digital ecosystems partially governed by Chinese-owned infrastructures (e.g., ByteDance), where content moderation standards, data governance practices, and algorithmic transparency differ from EU regulatory expectations. This creates what can be conceptualized as a regulatory grey zone, in which domestic authorities, such as the Permanent Electoral Authority of Romania, face limitations in auditing platform behaviour,

[40] EUISS, „Strengthening Resilience in East - How the EU can empower countries against foreign interference", April 2025.

[41] Zeynep Tufekci, „Algorithmic Harms Beyond Facebook and Google. Emergent Challenges of Computational Agency", *Colorado Technology Law Journal*, 13 (2015): 203-218.

[42] Walter Russell Mead, „America's Sticky Power", *Foreign Policy*, (March 2004): 46-53.

enforcing campaign finance rules, or ensuring equal visibility conditions among candidates.

In that case, the EU response has not remained confined to the abstract regulatory architecture of the DSA but has translated into director supervisory and enforcement actions targeting platform behaviour during electoral periods. Most notably, the European Commission issued a retention order regarding content moderation practices and algorithmic amplification patterns (which is a legally binding request to not delete data), and opened formal proceedings against TikTok to assess whether it breached the DSA regarding electoral integrity.[43] This measure was taken pursuant to the Commission's investigative powers under Article 67 of Regulation (EU) 2022/2065 (the Digital Services Act),[44] which empowers the Commission to require Very Large Online Platforms (VLOPs) to provide access to, and explanations of, their databases and algorithms, as well as any other data necessary to monitor and assess their compliance with the Regulation.

In parallel, the EU activated Article 61,[45] under which initiated coordination of monitoring mechanisms through the European Board for Digital Services, facilitating structured information exchange between the Commission, national Digital Services Coordinators, and Romanian authorities. This enabled near real-time identification of emerging disinformation trends and allowed for rapid engagement with the platform concerned. Such coordination reflects the institutionalization of preventive oversight, shifting the EU's approach from reactive enforcement toward anticipatory governance.

Conclusion

The practical effects of these interventions are significant. First, they impose immediate transparency and accountability constraints on platform operations, particularly regarding algorithmic amplification and political content distribution. Second, they establish a precedent for real-time regulatory intervention during elections, thereby strengthening deterrence and signalling the EU's readiness to act decisively in safeguarding democratic processes. The Romanian case exemplifies the „adjust" function of democratic resilience not merely as regulatory recalibration, but as active institutional engagement with evolving technological threats. The EU's normative power is thus operationalized through enforcement, coordination, and continuous supervision, marking a transition from static rule-setting to dynamic governance of digital influence ecosystems.

---

[43] *Digital Policy Alert*, „European Union: European Commission investigation into TikTok's management of information manipulation compliance with Digital Services Act following request from Romania authorities".

[44] 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).

[45] Regulation (EU) 2022/2065.

References

1. Bargués, Pol, Jonathan Joseph, and Ana E. Juncos, „Rescuing the liberal international order: crisis, resilience and EU security policy", International Affairs 99, no. 6 (2023): 2281-2299, https://doi.org/10.1093/ia/iiad222.
2. Bechis, Francesco, „Playing the Russian Disinformation Game. Information operations from Soviet tactics to Putin's sharp power", in Democracy and Fake News. Information Manipulation and Post-Truth Politics, ed. Serena Giusti and Elisa Piras, 1st edition (Routledge, 2020), 119-130, https://doi.org/10.4324/9781003037385.
3. Crouch, Colin, „Post-democracy and populism", The Political Quarterly 90, no. S1 (2019): 124-137, https://doi.org/10.1111/1467-923X.12575.
4. Grevi, Giovanni, „A Global Strategy for a soul-searching European Union" (European Policy Centre, 2016), https://www.epc.eu/publication/A-Global-Strategy-for-a-soul-s-259130/.
5. Haberly, Daniel, and Dariusz Wójcik, „The Paradox of Sticky Power", in Sticky Power: Global Financial Networks in the World Economy (Oxford, 2022), https://doi.org/10.1093/oso/9780198870982.003.0002.
6. Hoffman, Frank G., „Conflict in the 21st Century: The Rise of Hybrid Wars" (Potomac Institute for Policy Studies, 2007), https://www.potomacinstitute.org/images/stories/publications/potomac_hybridwar_0108.pdf.
7. Joseph, Jonathan and Ana E. Juncos, „Conceptual politics and resilience-at-work in the European Union," Review of International Studies 50, no. 2 (2024): 373□392, https://doi.org/ 10.1017/S0260210523000463.
8. Juncos, Ana E., „Resilience as the new EU foreign policy paradigm: a pragmatist turn?", European Security 26, no. 1 (2016): 1-18, https://doi.org/10.1080/09662839.2016.1247809.
9. Kapadia, Sophia, „The Historical Architecture of U.S. Hegemony: Trump's Second Term and the Evolution of Coercive Power", (BA Thesis, John Cabot University, Rome, Italy, 2025), URI: https://hdl.handle.net/20.500.14490/1041.
10. Khmilevska, Polina, „Russia's soft and sharp power on the example of policy towards Ukraine", Krakowskie Studia Międzynarodowe 1 (2024): 27-41, https://www.ceeol.com/search/article-detail?id=1372758.
11. Korosteleva, Elena A. and Trine Flockhart, „Resilience in EU and international institutions: Redefining local ownership in a new global governance agenda", Contemporary Security Policy 41, no. 2 (2020): 153-175. https://doi.org/10.1080/13523260.2020.1723973.
12. Larsen, Henrik, „The EU as a Normative Power and the Research on External Perceptions: The Missing Link", Journal of Common Market Studies 52, no. 4 (2014): 896-910, https://doi.org/10.1111/jcms.12109.
13. Levitsky, Steven and Daniel Ziblatt, „How Democracies Die" (Penguin Books, 2018).
14. Manners, Ian, „Normative power Europe reconsidered: beyond the crossroads", Journal of European Public Policy 13, no. 2 (2006): 182-199, https://doi.org/10.1080/13501760500451600.
15. Manners, Ian, „Normative power Europe: A contradiction in terms?", Journal of Common Market Studies 40, no. 2 (2002): 235-258, https://doi.org/10.1111/1468-5965.00353.

16. Mead, Walter Russell, „America's Sticky Power", Foreign Policy (March 2004): 46-53, https://www.researchgate.net/publication/271696339_America's_Sticky_Power.

17. Merkel, Wolfgang, „What is democratic resilience?", Democratization, 33, no. 3 (2026): 472-493, https://doi.org/10.1080/13510347.2025.2590677.

18. Mudde, Cas, „The Populist Zeitgeist", Government and Opposition 39, no. 4 (2004): 541-63. https://doi.org/10.1111/j.1477-7053.2004.00135.x. pp. 543.

19. Pace, Michelle, „The EU as a 'Force for Good' in Border Conflict Cases?", in The European Union and Border Conflicts: The Power of Integration and Association, ed. Thomas Diez, Albert, Mathias, and Stephan Stetter (Cambridge: Cambridge University Press, 2008): 203-19, https://doi.org/10.1017/CBO9780511491337.008.

20. Roussi, Antoaneta, „Bulgaria requests EU support to fend off election meddling in April vote". Politico, April 1, 2026, https://www.politico.eu/article/bulgaria-turns-to-eu-to-fend-off-election-meddling/.

21. Stollenwerk, Eric, Tanja A. Börzel, and Thomas Risse, „Theorizing resilience-building in the EU's neighbourhood: introduction to the special issue", Democratization 28, no. 7 (2021): 1219-1238, https://doi.org/10.1080/13510347.2021.1957839.

22. Teixeira, Vitor, „It's Fundamental: Moldova's Election Results and its EU Future", Transparency International EU, October 6, 2025, https://transparency.eu/its-fundamental-moldovas-election-results-and-its-eu-future/.

23. Tufekci, Zeynep, „Algorithmic Harms Beyond Facebook and Google. Emergent Challenges of Computational Agency", Colorado Technology Law Journal, 13 (2015): 203-218, https://scholar.law.colorado.edu/ctlj/vol13/iss2/.

24. Wagner, Wolfgang and Rosanne Anholt, „Resilience as the EU Global Strategy's new leitmotif: pragmatic, problematic or promising?", Contemporary Security Policy 37, no. 3 (2016): 414-430, https://doi.org/10.1080/13523260.2016.1228034.

25. Walker, Christopher, „What Is „Sharp Power"?", Journal of Democracy 29, no. 3 (2018): 9-23, https://doi.org/10.1353/jod.2018.0041.

26. Атанасова-Моллова, Диана, „Фалшивите новини и тяхното влияние върху общественото мнение в България", Бюлетин на факултет „Полиция"14 (2024): 43-53.

27. Панайотова, Моника, „Европейската демокрация в ерата на изкуствения интелект и условията на поликризисност", Научни трудове на УНСС 4 (2024): 11-42, ISSN (online): 2534-8957; https://doi.org/10.37075/RP.2024.4.01.

EU DATA PROTECTION AND AI REGULATION: CONSIDERING A SHIFT IN THE APPROACH TO INNOVATION AND FUNDAMENTAL RIGHTS

Associate Professor Denitza Toptchiyska, PhD
New Bulgarian University

Abstract:

The paper examines the evolution and current challenges of the EU regulatory approach to governing the digital environment, with particular emphasis on legal frameworks for data protection and artificial intelligence. It also assesses whether the legislative amendments proposed by the European Commission in November 2026 under the Digital Omnibus package will shift the balance within the regulatory framework between the protection of fundamental rights and the promotion of innovation in the digital sphere.

Key words: Digital Omnibus, GDPR, AI Act, personal data, digital governance

Digital transformation has long been at the core of the regulatory debate in the European Union (EU), particularly in the context of the broader policy objective of establishing a Single Digital Market founded on a human-centric and sustainable vision for the digital society. While at the end of the 1990s debates on the governance of the global digital environment were primarily centred on the choice between regulation, including through legislative intervention, and deregulation, the contemporary debate within the EU is predominantly oriented towards securing effective regulatory governance. This evolution reflects the EU's explicit and consolidated commitment to an approach grounded in active regulatory intervention, as evidenced by the adoption of strategic policy instruments and the establishment of a comprehensive and increasingly dense regulatory framework. This paper examines the evolution of, and the current challenges to the EU regulatory approach to governing the digital environment, with particular reference to the legal frameworks on data protection and artificial intelligence. It further assesses whether the legislative amendments proposed by the European Commission in the Digital Omnibus

package[1] will lead to a shift in the approach to balancing the protection of fundamental rights and the promotion of innovation in the digital sphere.

1. Defining features of the EU approach to regulating the digital environment

The EU vision for the digital transformation of the Union is conceptually and strategically embodied in two key policy documents, which establish a clear framework for its development and implementation. In 2022, the EU institutions adopted the Digital Decade Policy Programme 2030,[2] which sets out the Union's strategic vision for Europe's digital transformation up to 2030. The Decision establishes a governance, monitoring, and cooperation framework to guide the digital transformation in the EU towards measurable 2030 targets, with a particular focus on creating an environment favourable to innovation and investment, while also promoting a human-centred, fundamental-rights-based, inclusive, and transparent digital environment across the Union.

In 2023, the European Parliament, the Council and the Commission further adopted the Declaration on digital rights and principles for the digital decade,[3] in which they state: „*We aim to promote a European way for the digital transformation, putting people at the centre, built on European values and EU fundamental rights, reaffirming universal human rights, and benefiting all individuals, businesses, and society as a whole*." With regard to the digital environment, the declaration highlights the need to ensure freedom of choice in interactions with algorithms and artificial intelligence systems, while at the same time protecting individuals from risks and harms to their health, safety, and fundamental rights. The strategic document also provides for safeguards ensuring participation in the digital public sphere, including the adoption of proportionate measures to address all forms of illegal content, in full respect of fundamental rights, in particular the rights to freedom of expression and freedom of information, and without imposing general monitoring or censorship obligations. It further seeks to establish a digital environment in which individuals are protected against disinformation, information manipulation, and other forms of harmful content. Furthermore, the Declaration provides that everyone has the right to respect for private and family life and to the protection of personal data, the latter encompassing an individual's control over how their personal data are used and with whom they are shared.

---

[1] Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EU) 2016/679, (EU) 2018/1724, (EU) 2018/1725, (EU) 2023/2854 and Directives 2002/58/EC, (EU) 2022/2555 and (EU) 2022/2557 as regards the simplification of the digital legislative framework, and repealing Regulations (EU) 2018/1807, (EU) 2019/1150, (EU) 2022/868, and Directive (EU) 2019/1024 (Digital Omnibus), COM/2025/837 final.

[2] Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme 2030 (Text with EEA relevance), OJ L 323, 19.12.2022.

[3] European Declaration on Digital Rights and Principles for the Digital Decade 2023/C 23/01, OJ C 23, 23.1.2023

In the Declaration on digital rights and principles, the institutions emphasise the distinctive features of the European approach to digital transformation, grounded in EU values for democracy, human rights and the rule of law. The document recognises the universality of human rights, while simultaneously framing these rights within the European understanding of their concrete articulation and application. In the global digital environment, this specific understanding is particularly evident in relation to the right to privacy, as further reinforced by the right to personal data protection under the EU Charter of Fundamental Rights,[4] as well as the freedom of expression. The European conceptualisation of these rights is shaped by the European Convention on Human Rights[5] and the case law of the European Court of Human Rights, as well as that of the Court of Justice of the European Union (CJEU). The broad European understanding of the content and scope of the rights to privacy and personal data protection as fundamental rights is reflected in the EU data protection regulatory framework, which applies horizontally across all areas of the digital environment falling within the competences of the EU. Furthermore, the specific understanding of the limits of freedom of expression, particularly in relation to illegal content, hate speech, and the dissemination of disinformation, has also shaped the distinctive features of the EU regulatory framework governing the digital environment. The European understanding of these fundamental rights is now reflected in the regulation of artificial intelligence systems, which requires that their design and deployment ensure the protection of these rights.

From a structural perspective, the European Union has adopted a complex model for regulating the digital environment, designed to address both the specific features of the technological architecture and the distinctive characteristics of the EU legal order. The regulatory model is based on general and abstract technology-neutral legislation, intended to prevent the emergence of legislative gaps in light of the rapid and largely unpredictable pace of technological development. These legislative acts allow for horizontal application across a broad range of diverse social and economic sectors. Nevertheless, their application requires further concretisation to ensure legal certainty and predictability.

Such concretisation is achieved through the adoption of sector-specific legislation in areas identified as presenting heightened risks, as well as through a diverse range of soft-law mechanisms. In this respect, regulatory and supervisory authorities have the competence to adopt guidelines concerning the implementation of the relevant legal acts. The opportunities for self-regulation by private actors and civil society organisations are regarded not only as a

---

[4] Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012

[5] Council of Europe, *Convention for the Protection of Human Rights and Fundamental Freedoms (European Convention on Human Rights)*, Rome, 4 November 1950, ETS No. 5.

means of governing relationships in areas that remain unregulated, but also as instruments through which their expertise may be used to further specify and operationalise general and technology-neutral legislative acts. Co-regulatory mechanisms, in turn, enable the combination of the expertise and efforts of regulatory and supervisory authorities with those of the addressees of legal norms. This facilitates the clarification of the specific requirements and modalities of legislative implementation and contributes to the development of clearer and more predictable mechanisms for sanctioning infringements. In this respect, co-regulation addresses one of the principal shortcomings of self-regulation, namely the absence of sufficiently clear procedures for the imposition of sanctions, as well as the ambiguous legal significance and binding effect of the measures adopted thereunder.

The EU regulatory model for the digital environment is significantly informed by the case-law of the CJEU, which may provide authoritative and binding interpretations of EU law and adjudicate disputes relating thereto, and which is not constrained by soft-law mechanisms governing the implementation of the legislative instruments. Furthermore, in order to accurately delineate the regulatory model of the European Union, it must be emphasised that its effectiveness largely depends on its integration into the national legal systems of the Member States. Irrespective of whether the legal instrument in question is a regulation, which produces direct effect, or a directive, which by its legal nature requires transposition into national law, in all cases it is necessary for the appropriate measures to be undertaken so as to ensure that these legal norms are effectively incorporated and harmonised with the existing provisions of domestic law. In addition, the mechanisms for the imposition of sanctions remain within the remit of national legal systems, which further underscores the importance of their institutional and normative compatibility with Union law.

It can therefore be concluded that the EU regulatory model is confronted with two fundamental challenges. First, it must secure the achievement of its strategically embedded policy objectives, particularly the European understanding of fundamental rights, which are often competing and difficult to balance and implement effectively in the digital environment. Second, it must manage the structural complexity of the regulatory framework, the effectiveness of which is contingent upon the coordinated operation of a plurality of supranational and national institutions.

2. Challenges facing the EU regulatory approach

In response to the challenges and risks arising from the digital environment, over the past two decades the EU has adopted a wide range of key legislative instruments aimed at safeguarding fundamental rights in the digital sphere,

focusing on data protection,[6] ensuring the free movement of data,[7] regulating information society services,[8] guaranteeing cybersecurity,[9] and establishing a regulatory framework for artificial intelligence systems.[10] The general and abstract regulatory framework underlying the GDPR and the AI Act, as well as their horizontal application, presupposes simultaneous application. From a technological perspective, the development, training, and deployment of AI systems are to a significant extent dependent on access to large datasets, including personal data, which are used for the training of algorithms, the validation of models, and the optimisation of their performance and accuracy.[11] In this

---

[6] 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 (General Data Protection Regulation); Directive (EU) 2016/680 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 by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA; Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC; Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications)

[7] Regulation (EU) 2023/2854 of the European Parliament and of the Council of 13 December 2023 on harmonised rules on fair access to and use of data and amending Regulation (EU) 2017/2394 and Directive (EU) 2020/1828 (Data 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 (Data Governance Act)

[8] 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); 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).

[9] Ex. Regulation (EU) 2019/881 of the European Parliament and of the Council of 17 April 2019 on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and repealing Regulation (EU) No 526/2013 (Cybersecurity Act); Regulation (EU) 2024/2847 of the European Parliament and of the Council of 23 October 2024 on horizontal cybersecurity requirements for products with digital elements and amending Regulations (EU) No 168/2013 and (EU) 2019/1020 and Directive (EU) 2020/1828 (Cyber Resilience Act); Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011; Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148 (NIS 2 Directive)

[10] Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act)

[11] Schwartmann, R., Keber, T., Zenner, K., & Kurth, S. (2024). *Data protection aspects of the use of artificial intelligence - Initial overview of the intersection between GDPR and AI Act. Computer Law Review International*, 25(5). https://doi.org/10.9785/cri-2024-250503

context, questions frequently arise regarding the relationship between, and the concurrent application of the GDPR and the AI Act, particularly where the processing of personal data forms an integral part of the functioning of high-risk or generative AI systems.

In contrast to the GDPR, whose primary focus is the protection of fundamental rights, and in particular the right to the protection of personal data, the AI Act introduces a regulatory regime initially oriented towards the design, development, and deployment of AI systems, similar to that applicable in the field of product safety law. Notwithstanding the above, the AI Act expressly provides that its application is without prejudice to the rights and obligations laid down in the GDPR.[12] It further introduces specific provisions relating to the processing of special categories of personal data where such processing is necessary to ensure the detection and correction of bias in high-risk AI systems,[13] as well as in the context of the use of personal data within regulatory sandboxes.[14] The AI Act does not affect the application of the GDPR, including with regard to the powers of independent supervisory authorities. It does not relieve providers and deployers of AI systems of their obligations as controllers or processors of personal data where their activities involve the processing of personal data, and data subjects retain all rights and safeguards, including in relation to fully automated decision-making and profiling.[15] The harmonised rules at EU level on the placing on the market and putting into service of AI systems are intended to facilitate the effective exercise of those rights and the corresponding remedies, as well as the protection of other fundamental rights.

The joint application of the GDPR and the AI Act gives rise to a number of uncertainties, particularly with regard to the legal basis for the processing of personal data in AI systems, as well as the practical safeguarding of data subjects' rights. Further questions emerge concerning the concurrent application of the risk assessment regimes established under the two instruments and the extent to which their respective requirements relating to transparency, security, and accountability can be effectively aligned. Additional complexity also arises from the practical establishment and operation of AI regulatory sandboxes, as well as from the allocation and exercise of supervisory powers within the framework of the two regulatory regimes.

In 2024, two key reports prepared by Mario Draghi[16] and Enrico Letta[17] were published, concluding that the accumulation of regulatory requirements constitutes

---

[12] Art. 2, par. 7 AI Act

[13] Art.10, par. 5 AI Act

[14] Art. 59 AI Act

[15] Recital 10 of the AI Act

[16] Mario Draghi, *The Future of European Competitiveness* (Brussels: European Commission, 2024), accessed June 18, 2026, https://commission.europa.eu/topics/competitiveness/draghi-report_en.

[17] Enrico Letta, *Much more than a Market: Speed, Security, Solidarity - Empowering the Single Market to Deliver a Sustainable Future and Prosperity for All EU Citizens* (Brussels: European Commission, 2024), accessed June 18, 2026, https://www.consilium.europa.eu/media/ny3j24sm/much-more-than-a-market-report-by-enrico-letta.pdf.

a significant factor that might adversely affect the competitiveness of the EU. Among the principal negative consequences identified are the increased administrative burden and regulatory inconsistencies, which operate as substantial constraints on innovation and create additional barriers to the growth and market entry of European start-ups. As a result of the identified challenges, the European Commission conducted consultations with stakeholders aimed at identifying the main issues in the implementation of the EU regulatory framework in the digital domain. Within these consultations, particular attention was paid to the need for streamlining compliance costs and clarifying the interaction between different regulatory regimes across the relevant sectors.

In November 2025, the European Commission presented the „Digital Omnibus" package,[18] a comprehensive set of measures in the field of digital technologies. It proposes amendments to the GDPR and AI Act, as well as to other regulations and directives in the digital domain, while also incorporating the EU Data Strategy and a proposal for the establishment of a European Business Wallet. The aim of the proposed measures is to simplify, clarify, and improve the rules governing data, cybersecurity, and artificial intelligence, while at the same time maintaining high standards for the protection of fundamental rights, consumer safety, and European values.[19]

The main amendments under the Digital Omnibus, with regard to the intersection between the GDPR and the AI Act, concern the expansion of possibilities for the use of data (personal, pseudonymised, and non-personal) for the development of artificial intelligence systems. At the same time, the measures are aimed at facilitating the smooth and effective implementation of rules for the safe and trustworthy development and use of artificial intelligence. A specific measure provides for the simplification of cybersecurity incident reporting through the consolidation of all related reporting obligations into a single notification mechanism.

The primary objective of the proposed measures is to address the needs of organisations, in particular small and medium-sized enterprises and associations, with a focus on entities engaging in limited and non-intensive data processing, as well as activities generally considered low-risk. At the same time, the measures aim to address their concerns regarding the application of certain obligations under the GDPR.

---

[18] Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EU) 2016/679, (EU) 2018/1724, (EU) 2018/1725, (EU) 2023/2854 and Directives 2002/58/EC, (EU) 2022/2555 and (EU) 2022/2557 as regards the simplification of the digital legislative framework, and repealing Regulations (EU) 2018/1807, (EU) 2019/1150, (EU) 2022/868, and Directive (EU) 2019/1024 (Digital Omnibus), COM/2025/837 final.

[19] European Commission, *Proposal for a Regulation... (Digital Omnibus)*, Explanatory Memorandum, Section 1: „Context of the Proposal - Reasons for and Objectives of the Proposal", Brussels, 2025, https://commission.europa.eu/

3. EU Data Protection and AI Regulation: Will There Be a Shift in the Approach to Innovation and Fundamental Rights?

In February 2026, in response to the Digital Omnibus package of measures, the European Data Protection Board (EDPB) and the European Data Protection Supervisor (EDPS) issued a Joint Opinion providing a critical assessment of the European Commission's proposals.[20] The Opinion addresses the proposed amendments to the GDPR aimed at facilitating and supporting scientific research, as well as the introduction of a new exemption for the processing of biometric data. It further examines the explicit recognition of legitimate interest as a legal basis for data processing in the development and deployment of AI models and systems, alongside an additional proposed exemption for the incidental and residual processing of special categories of personal data, as well as the proposed measures concerning data subject rights. However, particular attention, both in the Joint Opinion and within civil society discourse, was devoted to the proposed amendment to the definition of personal data.[21]

In the Digital Omnibus, the European Commission proposes that the definition of personal data under the GDPR be supplemented in a way that explicitly clarifies that „*Information shall not be personal for a given entity where that entity cannot identify the natural person to whom the information relates, taking into account the means reasonably likely to be used by that entity*."[22] It is also expressly stated that „*Such information does not become personal for that entity merely because a potential subsequent recipient has means reasonably likely to be used to identify the natural person to whom the information relates*."[23] The proposed amendment aims to clarify the concept of „personal data" as a core legal concept in EU digital law, in order to enhance legal certainty and facilitate compliance for low-risk actors.[24] It is particularly important for determining the joint application of the GDPR and the AI Act, as well as the conditions under which personal data may be used in the development and deployment of AI models and systems. As a consequence of the proposed amendment, undertakings falling within the scope of this hypothesis would no longer be subject to the obligations arising under the GDPR. This, in turn, would facilitate the use of such data for the development of artificial intelligence systems.

From the perspective of the EDPB and the EDPS, as set out in their above-mentioned joint opinion, the proposed amendments seek to codify the case

---

[20] European Data Protection Board (EDPB) and European Data Protection Supervisor (EDPS), *EDPB-EDPS Joint Opinion 2/2026 on the Proposal for a Regulation as regards the simplification of the digital legislative framework (Digital Omnibus)*, adopted 10 February 2026.

[21] noyb - European Centre for Digital Rights, „Digital Omnibus - First Legal Analysis", November 22, 2025, https://noyb.eu/en/digital-omnibus-first-legal-analysis, accessed June 21, 2026.

[22] Digital Omnibus, art. 3, p. 1 (a)

[23] Ibid

[24] Explanatory memorandum of the Digital Omnibus

law of the Court of Justice of the European Union (CJEU), in particular with regard to the pseudonymisation of personal data, taking into account its judgment in Case C-413/23 P (EDPS v SRB) of 4 September 2025.[25] The case in which the judgment was delivered is particularly interesting, as it opposes the EDPB and EDPS, on the one hand, and the European Commission, which supports the Single Resolution Board (SRB), on the other, with regard to the interpretation of the scope and application of the concept of „personal data". While one position maintains that pseudonymised data should, in all cases, be regarded as personal data insofar as a key enabling re-identification exists, the opposing view argues that such data should not be considered personal data in relation to entities that do not hold the re-identification key, are unable to link the data to specific individuals, and are therefore not in a position to comply with the obligations imposed on data controllers under the GDPR.

In its judgment of 4 September 2025, the CJEU elaborates on and further clarifies a highly complex legal framework concerning pseudonymised data. The Court holds that the EU legislature intended a broad interpretation of the concept of „personal data," encompassing all types of information, not only objective data but also subjective information such as opinions and assessments, insofar as such information „relates" to an identified or identifiable data subject.[26] However, this definition is not unlimited, as the concept of personal data presupposes that the data subject is either identified or identifiable.[27] The Court holds that pseudonymised data is not necessarily to be regarded as personal data where pseudonymisation effectively prevents third parties from identifying the data subject. Consequently, obligations that presuppose the identification of data subjects, such as the duty to provide information, may not be applicable in such circumstances. However, such data cannot be excluded from the scope of EU data protection law, insofar as, during transmission, they may be disclosed to third parties for whom they may still qualify as personal data, as those parties have access to, or may be able to obtain, the key enabling their identification. Accordingly, all applicable restrictions governing, inter alia, the transfer of personal data remain in force.

The position adopted by the CJEU in the above-mentioned case is particularly complex and nuanced, insofar as it does not exclude pseudonymised data from the material scope of the GDPR, while simultaneously presenting considerable challenges for practical implementation. On the other hand, the European Commission's proposed amendment to the GDPR with regard to the concept of „personal data" clearly has a considerably broader scope than the narrow context of pseudonymised data. It constitutes a significant conceptual shift in

[25] Court of Justice of the European Union, *European Data Protection Supervisor v Single Resolution Board*, Case C-413/23 P, Judgment of 4 September 2025.

[26] Court of Justice of the European Union, *European Data Protection Supervisor v Single Resolution Board*, Case C-413/23 P, Judgment of 4 September 2025, p. 52-61

[27] Court of Justice of the European Union, *European Data Protection Supervisor v Single Resolution Board*, Case C-413/23 P, Judgment of 4 September 2025, p. 88-89

the understanding of personal data and therefore requires an assessment of its compliance with fundamental right to data protection as enshrined in the EU Charter[28] and the case law of the CJEU. When making the corresponding assessment, it should be taken into account that the right to personal data protection is not absolute, and that its purpose is not to hinder innovation and technological development, but to steer them in a way that ensures the protection of individuals' private sphere and their ability to participate autonomously in the digital environment.

In the discussion following the presentation of the Digital Omnibus, tensions can also be identified with regard to the EU regulatory model for the governance of the digital environment. In their joint opinion of February 2026, the EDPS and the EDPB state that they are currently developing guidelines aimed at clarifying the application of the CJEU's findings in its judgment of 4 September 2025, thereby facilitating their interpretation and practical implementation by the addressees of the relevant legal obligations. Accordingly, they consider that legislative amendments are not necessary in this regard. From the perspective of digital regulation, the advantages and disadvantages of soft law instruments, such as the guidelines issued by supervisory authorities, must be carefully considered. Such instruments offer flexibility, a rapid adoption process, and the ability to provide detailed guidance in language that is accessible and understandable to their addressees. However, in the event of a dispute, courts are not bound by these guidelines when resolving legal controversies. In this respect, they are less capable of fulfilling the objective of ensuring legal certainty in the application of the act. From the standpoint of legal certainty, further efforts are therefore required to define the concept of personal data more precisely and to provide additional supporting reasoning for the amendment in the recitals of the Regulation.

References

1. Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012
2. Council of Europe, *Convention for the Protection of Human Rights and Fundamental Freedoms (European Convention on Human Rights)*, Rome, 4 November 1950, ETS No. 5.
3. Court of Justice of the European Union, *European Data Protection Supervisor v Single Resolution Board*, Case C-413/23 P, Judgment of 4 September 2025.
4. Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme 2030 (Text with EEA relevance), OJ L 323, 19.12.2022.
5. Enrico Letta, *Much more than a Market: Speed, Security, Solidarity - Empowering the Single Market to Deliver a Sustainable Future and Prosperity for All EU Citizens* (Brussels: European Commission, 2024), accessed June 18, 2026, https://www.consilium.europa.eu/media/ny3j24sm/much-more-than-a-market-report-by-enrico-letta.pdf.

[28] Charter of Fundamental Rights of the European Union, 2012/C 326/02, art. 8.

6. European Data Protection Board (EDPB) and European Data Protection Supervisor (EDPS), *EDPB-EDPS Joint Opinion 2/2026 on the Proposal for a Regulation as regards the simplification of the digital legislative framework (Digital Omnibus)*, adopted 10 February 2026.
7. European Declaration on Digital Rights and Principles for the Digital Decade 2023/C 23/01, OJ C 23, 23.1.2023
8. Mario Draghi, *The Future of European Competitiveness* (Brussels: European Commission, 2024), accessed June 18, 2026, https://commission.europa.eu/topics/competitiveness/draghi-report_en.
9. NOYB - European Centre for Digital Rights, „Digital Omnibus - First Legal Analysis", November 22, 2025, https://noyb.eu/en/digital-omnibus-first-legal-analysis, accessed June 21, 2026.
10. Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EU) 2016/679, (EU) 2018/1724, (EU) 2018/1725, (EU) 2023/2854 and Directives 2002/58/EC, (EU) 2022/2555 and (EU) 2022/2557 as regards the simplification of the digital legislative framework, and repealing Regulations (EU) 2018/1807, (EU) 2019/1150, (EU) 2022/868, and Directive (EU) 2019/1024 (Digital Omnibus), COM/2025/837 final
11. 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 (General Data Protection Regulation)
12. Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act)
13. Schwartmann, R., Keber, T., Zenner, K., & Kurth, S. (2024). *Data protection aspects of the use of artificial intelligence - Initial overview of the intersection between GDPR and AI Act. Computer Law Review International*, 25(5). https://doi.org/10.9785/cri-2024-250503

5. PANEL

EUROPEAN VALUES, SOCIETY, EDUCATION AND CULTURE

INVESTIGATING THE FRAMING OF EU INTEGRATION IN THE 2024-2025 STUDENT PROTESTS IN SERBIA: THE CHALLENGES OF EMPIRICAL RESEARCH

Dr Natasza Styczyńska
Jagiellonian University in Kraków
ORCID: 0000-0001-5056-8241

Abstract:

Serbia has been an EU candidate since 2009, with accession talks ongoing since 2014. While the political elite have declaratively united in their pursuit of EU membership for pragmatic economic and stability reasons, attitudes towards EU integration are mixed, with the majority of relevant political parties expressing some form of Euroscepticism. The large, student-led anti-corruption protests that began in late 2024 raised hopes of regime change and an end to Aleksandar Vučić's illiberal rule. However, throughout 2025, diverse stances on politics and conflicting visions on foreign policy direction emerged among protesters.

This article analyses the 2024-2025 student protests, focusing on whether and how EU integration was framed. Through content analysis of student plenum statements, participant observation and semi-structured interviews, the paper reveals students' EU positions across De Vries' fourfold Euroscepticism typology: loyal support, exit scepticism, policy scepticism and regime scepticism. It also addresses the challenges that qualitative researchers may encounter when conducting empirical research on student protests. The findings reveal a nuanced spectrum of EU-related sentiments within the protests, discussing the implications for Serbia's accession prospects and broader European integration, while also highlighting the complexities of organising and conducting empirical research, and the strengths and limitations of the selected methods.

Key words: Serbia, EU integration, protests, Euroscepticism, qualitative methods

Introduction[1]

Since January 2014, Serbia has been negotiating EU accession. Of the 35 negotiation chapters, 22 have been opened, with only two (science and research, and education and culture) having been provisionally closed. However, there has been no substantive progress since 2021. Although there is a consensus among the political elite that EU integration is a pragmatic route to economic development and stability, public and political sentiment in Serbia is ambivalent or anti-European. There is substantial support for closer ties to Russia and China. While the governing Serbian Progressive Party (SNS)-led coalition rhetorically endorses EU integration, it has not implemented the reforms required to open further chapters in a timely manner. The media, which is largely controlled by the ruling party, adopts a Eurosceptic posture.

Rising populism, weakening democratic institutions, pervasive corruption and clientelism, and the prioritisation of regime stability over liberal norms by a 'stabilitocracy' have fostered an authoritarian dynamic that undermines accession prospects[2]. According to Freedom House[3], Serbia has experienced the largest decade-long democratic decline, primarily due to significant irregularities in the 2023 elections. Serbia is now the most Eurosceptic of the Western Balkan EU candidate countries, with both political parties and the general public showing high levels of distrust towards the EU and low levels of support for membership[4]. Even the pro-EU parties are becoming increasingly critical[5]. Public support has fallen from its 65% in 2006[6], dropping to 41% in 2012 and hitting a record low of 39% in 2025[7]. The combination of populist discourse, media control, clientelism and stabilitocracy thus strengthens Euroscepticism and hinders Serbia's EU accession process.

The first major student mobilisation since the fall of Milošević regime occurred in 2010-11. Led mainly by left-leaning students of the social sciences and humanities, it protested against the commercialisation of the Bologna system

---

[1] I would like to express my gratitude to Haris Dajč, Valentina Sokolovska and Ognjen Radonjić for their invaluable support in organising the fieldwork. I would also like to thank the Students who generously dedicated their time to sharing their opinions.

[2] Florian Bieber, „The Rise (and Fall) of Balkan Stabilitocracies", Horizons: Journal of International Relations and Sustainable Development 10 (2018): 176-85, https://www.jstor.org/stable/48573486.

[3] Freedom House, Raport 2024, https://freedomhouse.org/country/serbia/freedom-world/2024.

[4] International Republican Institute (IRI), Western Balkans Regional Poll, May-July 2025, https://www.iri.org/resources/western-balkans-regional-poll-may-july-2025/; Marko Stojić, „Contesting the EU on the Periphery in Times of Crisis: Party-Based Euroscepticism in Serbia", East European Politics 38, no. 3 (2022): 358-81, https://doi.org/10.1080/21599165.2021.1993191.

[5] Natasza Styczyńska, „Pro-European Euroscepticism? The Particular Case of Serbia's Opposition Parties", Innovation: The European Journal of Social Science Research 39, no. 2 (2026): 370-85, https://doi.org/10.1080/13511610.2026.2636829.

[6] Aleksandra Čavoški, Perceptions of the European Union in Serbia (Heinrich-Böll-Stiftung, 2013).

[7] IRI, Ibid.

and rising study costs[8]. In autumn 2014, students from the Faculty of Philosophy mounted a faculty-wide blockade and established activism through plenums – direct democratic forums with rotating moderation, agendas, working groups, recorders, orderlies, and decision revision mechanisms[9]. EU-related matters were marginal; the core demands concerned social justice and affordable higher education. Following the contested 2017 presidential election amid media control, wider challenges to the governing coalition targeted Aleksandar Vučić, producing nearly two months of student-led 'Against Dictatorship' protests that lacked coherent leadership and failed to force major concessions[10]. Subsequent mobilisation fed into the 2018 '1 of 5 million' movement and actions such as the September 2019 blockade of the University of Belgrade rectorate. Nevertheless, prolonged protests, the pandemic, and an opposition boycott weakened sustained mobilisation and aided regime consolidation. Following the snap parliamentary elections in December 2023, students staged traffic blockades to contest the results and demand access to the voter lists. The current student protests erupted in Serbia in 2024 after a tragic accident in Novi Sad on 1 November, when a canopy over the newly renovated train station collapsed, killing 16 people and injuring many others. Students linked the incident to negligence and corruption in construction of critical infrastructure. Mass protests attended by not only students, but also other citizens and the blockade of faculties followed. Students demanded: complete disclosure of all documentation regarding the construction and reconstruction of the Novi Sad railway station; the prosecution of those responsible for the fatal negligence and corruption that caused the disaster; the immediate release and dismissal of charges against students and activists arrested during the protests; the filing of criminal charges against the groups that violently attacked protesting students and professors; and an increase in the state budget allocation for material expenses of public higher education institutions[11]. The grassroots movement was initially apolitical, protest was explicitly anti-party, organised via horizontal, student-only gatherings called 'plenums', and reminiscent of 2014 activities[12]. In the first stage, it rejected political co-optation and avoided clear pro- or anti-EU positioning[13]. The apolitical stance of the protesters

---

[8] A. Jerkov, M. Bešlin, and B. Radeljić, „The depoliticization of protest: understanding the 2024/2025 Serbian students' uprising", Cogent Social Sciences 11, no. 1 (2025).

[9] N. Grahek and A. Lazarević, „Organizacione forme za realizaciju studentskih interesa u kontekstu blokade", in Blokada Filozofskog fakulteta 2014. godine, ed. B. Filipović and N. Jovanović (Sociološko udruženje Srbije i Crne Gore, 2017).

[10] Council of Europe, Observation of the Presidential Election in Serbia, 2 April 2017.

[11] Strahinja Subotić, „Student Protests in Serbia: Pinpointing Its Key Characteristics and Tracking EU's Response", Brief no. 20 (April 2025), European Policy Centre (CEP-Belgrade).

[12] Blokadna kuharica, Blokadna kuharica ili kako je izgledala blokada Filozofskog fakulteta u Zagrebu (Zagreb: Centar za anarhističke studije, 2009).

[13] Milivoj Bešlin, „Studenti traže liberalne vrijednosti: pravnu državu, vladavinu prava i funkcionisanje institucija", CDM, February 23, 2025, https://www.cdm.me/politika/milivoj-beslin-za-cdm-studenti-traze-liberalne-vrijednosti-pravnu-drzavu-vladavinu-prava-i-funkcionisanje-institucija-ii/ (accessed November 11, 2025).

has changed over time due to the growing violence faced by protesters from the police and the antagonising narratives coming from the ruling party, but also pressure from the citizens. The largest protest in Serbian history took place on 15 March, during which protesters were reportedly subjected to a sonic weapon[14]. In spring 2025, students continued to organise marches around the country, as well as cycling to Strasbourg and running to Brussels, in order to raise awareness among EU societies and institutions. The movement began to demonstrate ideological splits, showing a clear division between the different faculties and their plenums. In May 2025, the students officially added earlier elections to their list of demands[15], which have not been fulfilled to this day. The lack of demand for EU engagement, as well as the absence of EU symbols during the protests (unlike the protests held in Georgia or Moldova, for example), is an interesting avenue for research. This is particularly relevant given that the students refer to the fundamental values of the EU in their demands and given that Serbia is an EU candidate country. This raises the question of how the EU integration is framed by the student protesters and what this means for the EU integration of Serbia.

Students' Diverse Views on EU integration

When discussing public opinion and attitudes towards the EU, it is important to remember that people evaluate the costs and benefits of membership[16]. This means that support for the EU is relational. Consequently, when considering the pros and cons of EU membership, people take two types of benefit into account: policy-related benefits and benefits relating to the regime. This means that people can sometimes be positive about one type of benefit and negative about the other, which brings us to the four types of public attitude towards the EU: loyal support, exit scepticism, policy scepticism and regime scepticism, which we employ in this paper[17]. De Vries's four-fold typology categorises attitudes towards the EU as follows: loyal support understood as positive about the EU and its policies, and in favour of continued membership; exit scepticism as an opposition to membership, or openness to leaving, though sometimes acceptance of specific EU policies; policy scepticism as support for the EU's existence, but critique of particular policies, and a preference for national-level decision-making and regime scepticism as an acceptance of membership, coupled with deep mistrust of EU institutions,

[14] Strahinja Subotić, ibid.

[15] Bojana Petrušijević, „Serbian students demand snap parliamentary elections after months of protests", Euronews, May 7, 2025, https://www.euronews.com/my-europe/2025/05/07/serbian-students-demand-snap-parliamentary-elections-after-months-of-protests.

[16] C. E. de Vries, Euroscepticism and the Future of European Integration (Oxford: Oxford University Press, 2018).

[17] Ibid.

legitimacy, and governance[18]. Regime and policy scepticism are frequently ambivalent and fluid, exhibiting uncertainty and inconsistency[19].

While analysing student plenum statements and semi-structured interviews the researcher looked up for the way EU integration and the EU in general is framed. The process by which „people develop a particular conceptualization of an issue or reorient their thinking about an issue", is known as framing[20]. Framing is a concept that fits into discursive institutionalist theory, which emphasises 'communicative discourse' – the process by which ideas or frames are conveyed to the general public[21]. Examining EU framing enables us to grasp how various actors influence the interpretation and evaluation of issues by emphasising particular aspects, values, causes, consequences, or solutions. Student protests influence not only policy debates and public opinion but also voting behaviour.

This study employs qualitative methods to analyse the student protests of 2024 - 2025, drawing on semi-structured interviews with participants and official public statements by plenums on Instagram. The sample was drawn from a range of disciplines: the Faculty of Philosophy and the Faculty of Electrical Engineering at the University of Belgrade, and the Faculty of Philosophy and the Faculty of Sciences at the University of Novi Sad. Qualitative analysis is well-suited to uncovering students' attitudes towards the EU and how these are framed: interviews capture participants' subjective opinions, while plenum statements provide complementary textual evidence of public framing. The dataset includes 17 semi-structured interviews conducted with the students from the University of Belgrade: Faculty of Philosophy, (4) and Faculty of Electrical Engineering (4) and the University of Novi Sad: Faculty of Philosophy (6) and Faculty of Science (3). Interviews were conducted in September and October 2025. The interviews were complemented by official statements from the students' plenums, which were published on Instagram between 10 December 2024 and 30 September 2025. The analysed corpus includes: 561 posts from the Faculty of Philosophy, University of Belgrade plenum (*filozofi.u.blokadi* profile); 772 posts from the Faculty of Philosophy, University of Novi Sad plenum (*blokada.ffuns* profile); 810 posts from the Faculty of Science, University of Novi Sad plenum (*blokadapmf* profile); 918 posts from the Faculty of Electrical Engineering, University of Belgrade plenum (*etfublokadi* profile). A total of 3,061 posts were analysed for this study. Content analysis of plenum statements provides valuable insights into how the European Union and its institutions are mentioned and

---

[18] Ibid., 79

[19] Ibid., 80

[20] Dennis Chong and James N. Druckman, „Framing Theory", Annual Review of Political Science 10 (2007): 104, https://doi.org/10.1146/annurev.polisci.10.072805.103054.

[21] Vivien A. Schmidt, „Discursive Institutionalism: The Explanatory Power of Ideas and Discourse", Annual Review of Political Science 11 (2008): 303-26, https://doi.org/10.1146/annurev.polisci.11.060606.135342.

evaluated. The Instagram posts from the analysed plenums of the faculties demonstrate the low relevance of the EU or its institutions due to the small number of posts mentioning the relevant actors or the EU integration project. A mere 36 of the 3,061 posts were related to the EU. In terms of themes, both the interviews and the plenum statements reveal noteworthy information. 'Loyal support' and 'exit scepticism' are seldom evident, whereas 'policy scepticism' and 'regime scepticism' are the predominant attitudes, which frequently converge.

'Policy scepticism' is fuelled by disappointment in the EU's low level of engagement, which in turn fuels policy scepticism (FBG_1, FBG_3, FBG_4, FNS_1, FNS_7). They feel that the EU is supporting the Vučić regime financially while only offering verbal condemnation, which creates a sense of hypocrisy and causes them to lose faith in the EU's ability to take meaningful action, such as imposing sanctions or providing concrete support (FBG_3, PMF_3). 'Regime scepticism' is mainly associated with perceived EU 'double standards' and the prioritisation of economic and geopolitical interests (e.g. Rio Tinto's lithium mining project). This is seen as harming Serbia's environment and producing looser standards for non-member states (PMF_3). Interviewees emphasised that 'Rio Tinto makes people anti-EU' (FNS_2, FNS_4, FBG_1) and expressed the view that the European Union's primary concerns are acquiring natural resources and maintaining stability in the region rather than adhering to its stated values. Students emphasised that their hopes for the EU stem from its policies being driven by democratic values.

Although the majority of respondents believe that EU integration would be more positive than negative, many remain unconvinced that accession negotiations will ever be concluded. The Plenum of the Faculty of Philosophy at the University of Belgrade attributed a significant portion of responsibility for Serbia's current political situation to long-standing EU policies that have, in their view, enabled Vučić's rule (FBG, 12.05. 2025). It is also important to note that the topic of Kosovo's status is highly politicised in Serbia, and the EU's role in normalising relations is viewed by some as unwelcome. Many perceive EU-facilitated agreements as being unfair to Serbs, and they link EU involvement in the 1999 bombing and Kosovo's independence to their ongoing Euroscepticism (FBG_2, FBG_4, FNS_4, FNS_7). However, students do not speak in one voice: loyalty and scepticism are less detectable in the studied sample. The framing of the EU remains ambivalent, with a positive perception of EU values, especially anti-corruption and the rule of law. Negative perceptions are mostly due to the aforementioned policy and regime scepticism.

Researching student movement attitudes to the EU - Challenges of Empirical Research

As previously mentioned, this study uses qualitative methods to analyse the Serbian student protests, employing semi-structured interviews with protest participants and content analysis of official public statements by plenums on Instagram. Serbia is an interesting case study due to its status as an EU candidate,

which affects the way the union is perceived as an external body rather than as something that the Serbs feel they belong to. The lengthy but inconclusive enlargement negotiations contribute to a sense of pre-enlargement fatigue[22], which also shapes how the EU is perceived. Unlike countries in Central and Eastern Europe that joined the EU in 2004, the Union is neither the ultimate goal of transformation nor a community to which all political and social forces aspire.

Although interviews have contributed to political science research, they have remained marginal within political science methodology, even among qualitative methodologists[23]. Studying social movements is a particularly challenging task due to the evolving nature of the phenomena, but it can also be difficult due to limited access to participants. Personal interviews with activists are a common way of studying contemporary social movements, providing access to a broader range of participants than leader materials and producing data that is different to that obtained through observation[24]. In countries where protests are met with repression, accessing the core group of organisers may be difficult. Although the 2024□25 (and ongoing) protests are widespread, covering all countries and most faculties, this study draws on data from only two universities and two cities. The analysed interviews and Instagram posts covered the Faculty of Philosophy and the Faculty of Electrical Engineering at the University of Belgrade, and the Faculty of Philosophy and the Faculty of Sciences at the University of Novi Sad. These faculties, which represent diverse fields of study ranging from the humanities and social sciences to engineering and the natural sciences, were selected to maintain a relatively wide range of views.

The first obstacle when studying difficult actors is gaining access[25]. This was also the case for the Serbian student protesters, for the recruitment of a representative sample seemed to be the biggest challenge. The aim was to recruit respondents who, in addition to representing different fields, had been engaged in the student movement from the beginning of the protests and had participated in the Faculty plenums for at least a month. Gaining entry to the movement was the most time-consuming process, requiring both formal activities, such as sending emails and messages on social media, and informal activities, such as searching for contacts within academia. During interviews, building trust and providing careful explanations about the interview process, including anonymisation, was crucial. This also enabled suggestions of other potential respondents to be received. The situation at Serbian universities in

---

[22] Natasza Styczyńska, „Serbia and the European Union: A Decade of Negotiating Challenges (2014-2024)“, Przegląd Politologiczny, no. 4 (2024): 331-42.

[23] Oisín Tansey, „Process Tracing and Elite Interviewing: A Case for Non Probability Sampling“, PS: Political Science & Politics 40, no. 4 (2007): 765-72, https://doi.org/10.1017/S1049096507071211.

[24] Kathleen Blee and Amy McDowell, „Interviewing Activists“, The Wiley-Blackwell Encyclopedia of Social and Political Movements, 2022, https://doi.org/10.1002/9780470674871.wbespm111.pub2 (accessed May 21, 2026).

[25] Antonis A. Ellinas, „The Interview Method in Comparative Politics: The Process of Interviewing Far Right Actors“, Government and Opposition 58, no. 4 (2023): 661-81, https://doi.org/10.1017/gov.2021.58.

autumn 2025 was tense[26]: a number of faculty buildings, including the University of Belgrade's rector's office, were occupied by students. In Novi Sad, the police were on campus and access to the occupied buildings was difficult as entry was restricted by the students occupying them. The ubiquitous presence of uniformed services did not create a safe atmosphere for discussion, further limiting students' willingness to engage in conversation. Safety concerns during this research must be mentioned. It was important to protect the anonymity of the participants, but the meeting spaces for interviews also had to be chosen by the participants to enable them to feel safe and comfortable. Comfort also relates to language: interviews were mostly conducted in Serbian, with only a few in English at the interviewee's suggestion.

The dynamic nature of the protests poses another challenge: the groups of protesters and those actively involved in plenums change over time as participants join, drop out or take on different roles, which complicates the process. While it was still possible to find a suitable interview sample representing students active since the beginning of the protests in November 2024 in autumn 2025, it is questionable whether this will still be possible after more than a year and a half of student activity.

Last but not least, sampling bias must be mentioned. As is often the case, the researcher's personal beliefs and expectations may affect the study design, data collection and analysis systematically. To avoid such bias, the questionnaire for the semi-structured interviews was prepared based on de Vries's four-fold typology, which categorises attitudes towards the EU, and was complemented with the warm-up questions about student protest demands in general, as well as personal views on Serbia's EU integration. Tansey points out that interviews can be used to interpret data that has already been gathered, as they help to interpret evidence from other sources, whether quantitative or qualitative[27]. Building on this observation and to enable comparison and contrast of the interview findings, the coding of plenum official statements published on Instagram from related faculties was also conducted. Participatory observation of the student protests in Belgrade between November 2024 and October 2025 was also intended to provide a better understanding of the context.

Conclusions

This qualitative study examined how students framed the EU during the 2024-25 protests, analysing plenum statements and semi-structured interviews conducted with students from four faculties in Belgrade and Novi Sad. Refe-

[26] See: CNN, „Serbian police use teargas to disperse anti-government protesters", September 5, 2025, https://edition.cnn.com/2025/09/05/europe/serbian-police-teargas-protesters-latam-intl.; N1, „Gendarmerie troopers force protesters out of Novi Sad University campus", September 5, 2025, https://n1info.rs/english/news/gendarmerie-troopers-force-protesters-out-of-novi-sad-university-campus/.

[27] Tansey, ibid.

rences to the EU were rare (1.17% of posts) and ambivalent: scepticism about „policy“ and „the regime“ coexisted with the expectation that the EU could aid democratic reform, while outright rejection of integration was absent. The distrust stems from the perception of double standards in the EU's dealings, such as its financial ties to the ruling regime, the prioritisation of economic and geopolitical interests (e.g. Rio Tinto and Kosovo), and the tolerance of a 'stabilitocracy'. Over time, the movement became more politicised, expanding its demands and viewing the EU increasingly instrumentally.

The article also aimed to address the challenges that qualitative researchers may encounter when conducting empirical research on protests. Accessing the protesters, organising the interviews and conducting them in a safe space seemed to be the most challenging aspects. The dynamic nature of the protests also made the research more challenging. Thus, the presented findings are exploratory and are limited by the small sample size and potential coder bias. However, they highlight important dynamics for Serbia's EU trajectory and future research into the student movement.

References:

1. Bešlin, Milivoj. 2025. „Studenti traže liberalne vrijednosti: pravnu državu, vladavinu prava i funkcionisanje institucija“. CDM, February 23, 2025. Accessed May 17, 2026. https://www.cdm.me/politika/milivoj-beslin-za-cdm-studenti-traze-liberalne-vrijednosti-pravnu-drzavu-vladavinu-prava-i-funkcionisanje-institucija-ii/.
2. Bieber, Florian. 2018. „The Rise (and Fall) of Balkan Stabilitocracies“. Horizons: Journal of International Relations and Sustainable Development 10: 176-85. https://www.jstor.org/stable/48573486.
3. Blee, Kathleen, and Amy McDowell. 2022. „Interviewing Activists“. The Wiley-Blackwell Encyclopedia of Social and Political Movements. Accessed May 21, 2026. https://doi.org/10.1002/9780470674871.wbespm111.pub2.
4. Blokadna kuharica. 2009. Blokadna kuharica ili kako je izgledala blokada Filozofskog fakulteta u Zagrebu. Zagreb: Centar za anarhističke studije.
5. CNN. 2025. „Serbian police use teargas to disperse anti-government protesters“. September 5, 2025. https://edition.cnn.com/2025/09/05/europe/serbian-police-teargas-protesters-latam-intl.
6. Chong, Dennis, and James N. Druckman. 2007. „Framing Theory.“ Annual Review of Political Science 10: 103-26. https://doi.org/10.1146/annurev.polisci.10.072805.103054.
7. Council of Europe. 2017. Observation of the Presidential Election in Serbia, 2 April 2017.
8. Čavoški, Aleksandra. 2013. Perceptions of the European Union in Serbia. Heinrich-Böll-Stiftung.
9. Ellinas, Antonis A. 2023. „The Interview Method in Comparative Politics: The Process of Interviewing Far-Right Actors“. Government and Opposition 58, no. 4: 661-81. https://doi.org/10.1017/gov.2021.58.
10. Freedom House. 2024. Raport 2024. https://freedomhouse.org/country/serbia/freedom-world/2024.

11. Grahek, N., and A. Lazarević. 2017. „Organizacione forme za realizaciju studentskih interesa u kontekstu blokade.“ In Blokada Filozofskog fakulteta 2014. godine, edited by B. Filipović and N. Jovanović. Sociološko udruženje Srbije i Crne Gore.
12. International Republican Institute (IRI). 2025. Western Balkans Regional Poll, May-July 2025. https://www.iri.org/resources/western-balkans-regional-poll-may-july-2025/.
13. Jerkov, A., M. Bešlin, and B. Radeljić. 2025. „The depoliticization of protest: understanding the 2024/2025 Serbian students' uprising.“ Cogent Social Sciences 11, no. 1.
14. N1. 2025. „Gendarmerie troopers force protesters out of Novi Sad University campus“. September 5, 2025. https://n1info.rs/english/news/gendarmerie-troopers-force-protesters-out-of-novi-sad-university-campus/.
15. Petrušijević, Bojana. 2025. „Serbian students demand snap parliamentary elections after months of protests“. Euronews, May 7, 2025. https://www.euronews.com/my-europe/2025/05/07/serbian-students-demand-snap-parliamentary-elections-after-months-of-protests.
16. Schmidt, Vivien A. 2008. „Discursive Institutionalism: The Explanatory Power of Ideas and Discourse“. Annual Review of Political Science 11: 303-26. https://doi.org/10.1146/annurev.polisci.11.060606.135342.
17. Stojić, Marko. 2022. „Contesting the EU on the Periphery in Times of Crisis: Party-Based Euroscepticism in Serbia.“ East European Politics 38, no. 3: 358-81. https://doi.org/10.1080/21599165.2021.1993191.
18. Styczyńska, Natasza. 2024. „Serbia and the European Union: A Decade of Negotiating Challenges (2014-2024).“ Przegląd Politologiczny, no. 4: 331-42.
19. Styczyńska, Natasza. 2026. „Pro-European Euroscepticism? The Particular Case of Serbia's Opposition Parties“. Innovation: The European Journal of Social Science Research 39, no. 2: 370-85. https://doi.org/10.1080/13511610.2026.2636829.
20. Subotić, Strahinja. 2025. „Student Protests in Serbia: Pinpointing Its Key Characteristics and Tracking EU's Response“. Brief no. 20 (April 2025). European Policy Centre (CEP Belgrade).
21. Tansey, Oisín. 2007. „Process Tracing and Elite Interviewing: A Case for Non-Probability Sampling.“ PS: Political Science & Politics 40, no. 4: 765-72. https://doi.org/10.1017/S1049096507071211.
22. de Vries, C. E. 2018. Euroscepticism and the Future of European Integration. Oxford: Oxford University Press.

Instagram posts:

1. Filozofi.u.blokadi (FBG) Instagram of the Plenum Faculty of Philosophy University of Belgrade https://www.instagram.com/p/DJkFI_EoGLo/?img_index=1 12.05.2025
2. Blokada.ffuns (FNS) Instagram of the Plenum Faculty of Philosophy University of Novi Sad https://www.instagram.com/p/DGsy6bWsXt7/?img_index=5 2.03.2025
3. Blokada.ffuns (FNS) Instagram of the Plenum Faculty of Philosophy University of Novi Sad https://www.instagram.com/p/DH-v6JqoVx3/?img_index=6 4.03.2025
4. Blokada.ffuns (FNS) Instagram of the Plenum Faculty of Philosophy University of Novi Sad https://www.instagram.com/p/DKiEpz5IeH_/?img_index=2 5.06.2025

5. Blokada.ffuns (FNS) Instagram of the Plenum Faculty of Philosophy University of Novi Sad https://www.instagram.com/p/DO-zlY3DAz6/?img_index=1 24.09.2025
6. Blokadapmf (PMF) Instagram of the Faculty of Science University of Novi Sad, https://www.instagram.com/p/DICYe9yo_I8/ 4.04.2025
7. Blokadapmf (PMF) Instagram of the Faculty of Science University of Novi Sad https://www.instagram.com/p/DI1IhNYicOv/ 24.04.2025
8. Blokadapmf (PMF) Instagram of the Faculty of Science University of Novi Sad
9. Etfublokadi (ETF) Instagram of the Faculty of Electrical Engineering University of Belgrade, https://www.instagram.com/p/DIHlieLsDLD/?img_index=3 6.04.2025
10. Etfublokadi (ETF) Instagram of the Faculty of Electrical Engineering University of Belgrade, https://www.instagram.com/p/DIgxKPNqdSI/?img_index=4 16.04.2025
11. Etfublokadi (ETF) Instagram of the Faculty of Electrical Engineering University of Belgrade, https://www.instagram.com/p/DJgk7iFgTT-/ 11.05.2025

Interviews:

1. PMF_1 student of Faculty of Science University of Novi Sad, 11.09.2025
2. PMF_2 student of Faculty of Science University of Novi Sad, 11.09.2025
3. PMF_3 student of Faculty of Science University of Novi Sad, 11.09.2025
4. FBG_1 student of Faculty of Philosophy, University of Belgrade, 8.09.2025
5. FBG_2 student of Faculty of Philosophy, University of Belgrade, 9.09.2025
6. FBG_3 student of Faculty of Philosophy, University of Belgrade, 9.09.2025
7. FBG_4 student of Faculty of Philosophy, University of Belgrade, 10.09.2025
8. FNS_1 student of Faculty of Philosophy, University of Novi Sad, 11.09.2025
9. FNS_2 student of Faculty of Philosophy, University of Novi Sad, 11.09.2025
10. FNS_3 student of Faculty of Philosophy, University of Novi Sad, 11.09.2025
11. FNS_4 student of Faculty of Philosophy, University of Novi Sad, 11.09.2025
12. FNS_5 student of Faculty of Philosophy, University of Novi Sad, 11.09.2025
13. FNS_6 student of Faculty of Philosophy, University of Novi Sad, 11.09.2025
14. FNS_7 student of Faculty of Philosophy, University of Novi Sad, 11.09.2025
15. ETF_1 student of Faculty of Electrical Engineering, University of Belgrade, 13.10.2025
16. ETF_2 student of Faculty of Electrical Engineering, University of Belgrade, 13.10.2025
17. ETF_3 student of Faculty of Electrical Engineering, University of Belgrade, 14.10.2025

CIVIL SOCIETY AND THE PROTECTION OF FUNDAMENTAL RIGHTS IN THE EU AI ACT

Asst. Prof. Miruna Andreea Balosin, PhD
Faculty of European Studies,
Babeş-Bolyai University Cluj-Napoca, Romania
ORCID: 0000-0002-1327-4356

Abstract

As the first comprehensive legal framework governing artificial intelligence, the EU AI Act (2024) seeks to ensure that AI systems developed and deployed within the European Union respect and protect fundamental rights, democratic values, and the rule of law. While the regulation sets up obligations for providers and deployers of AI systems, civil society organisations (CSOs) play an essential role in shaping, monitoring, and enforcing these protections. The study deals with one main research question: How does civil society contribute to the protection of fundamental rights under the EU AI Act? The research uses a qualitative methodology that combines doctrinal legal research and thematic literature analysis. The paper suffers from shortcomings due to the novelty of the approached subject. No real-world enforcement is available as the EU AI Act takes full effect in the coming years.

Keywords: civil society, EU AI Act, fundamental rights, Fundamental Rights Impact Assessment (FRIA).

Introduction

Using AI systems engages a wide range of fundamental rights, regardless of the field of application. These include privacy, data protection, non-discrimination, and access to justice. In 2024, the European Union adopted the EU Artificial Intelligence Act (EU AI Act) to support technological innovation „while ensuring a high level of protection of health, safety, and fundamental rights as enshrined in the Charter of Fundamental Rights of the European Union (the 'Charter')"[1], including democratic values. Gill-Pedro draws the attention

[1] „REGULATION (EU) 2024/1689 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act)", *Official Journal of the European Union L,* 2024/1689*,* (12 July 2024): art. 1, https://eur-lex.europa.eu/eli/reg/2024/1689/oj/eng.

to the fact that the so-called third objective, „to ensure a high level of protection of fundamental rights", is expressed more as a condition, or a limitation.[2]

His reasoning is mainly based on the fact that the EU AI Act (Regulation (EU) 2024/1689) adopts a risk-based regulatory framework, categorising AI systems based on their potential risks to health, safety, and fundamental rights. AI systems with unacceptable risks are classified as „prohibited AI systems", while systems with higher but acceptable levels of risk are categorised as „high-risk AI systems."

As of May 2026, the implementation of the EU AI Act (Regulation 2024/1689) has moved into a critical phase. On May 7, the European Parliament and the Council of the EU reached a provisional political agreement on the Digital Omnibus on AI (the „AI Omnibus"). This agreement is the last procedural step before the final vote. The Commission proposed the Digital Omnibus on AI in December 2025 as part of the EU's simplification agenda, to boost Europe's competitiveness and to make the implementation of the AI Act for EU businesses easier while maintaining its benefits for European society, safety, and fundamental rights.[3]

A key element of the agreement concerns the delayed application of certain obligations for high-risk AI systems, as rules for standalone high-risk AI systems in sectors such as biometrics, employment, education, migration, and law enforcement will apply from 2 December 2027; rules for AI systems embedded in regulated products (e.g., medical devices, toys, machinery) will apply from 2 August 2028.

At the same time, digital media platform like Pressreview.eu presents incomplete information on the changes, as „some fundamental-rights safeguards were retained or even strengthened". Still, the agreement keeps prohibitions on particularly harmful AI practices and adds explicit bans on AI systems generating non-consensual intimate imagery („nudification" tools) and AI-generated child sexual abuse material (the new Article 5 Bans). Transparency obligations for AI-generated content and deepfakes also remain part of the framework[4].

Civil Society as a Regulatory Actor

After a conversation on the WhatsApp platform, a member of civil society, Dr Garvan Walshe, offered his opinion on the EU AI Act: „It makes some relatively

---

[2] Eduardo Gill-Pedro, „Fundamental Rights Impact Assessments in the EU's AI Act: A teleological and contextual analysis of the obligations of deployers", *European Journal of Law and Technology*, 16, no. 3 (2025): 9, https://ejlt.org/index.php/ejlt/article/view/1065.

[3] European Commission, „Press release: EU agrees to simplify AI rules to boost innovation and ban 'nudification' apps to protect citizens", *Press corner*, May 7, 2026, https://ec.europa.eu/commission/presscorner/detail/en/ip_26_1024.

[4] Élise Marchetti, „EU AI Act closes, bans nudification apps, delays rules," *Press Review*, May 8, 2026, https://pressreview.eu/eu-ai-act-omnibus-deal-closed-7-may-2026-annex-iii-postponed-december-2027.

minor changes to streamline rather onerous data processing requirements. It will neither destroy Europeans' privacy nor revolutionise European growth"[5]. But researchers offer a distinct perspective, arguing that the regulation places fundamental rights „at the heart" of AI governance, not merely as policy goals but as operational legal standards. The focus of civil society and legal scholars has shifted from debating the text to operationalising its protections.

The role of the civil society sector is no longer confined to advocacy; it is now institutionalised through the Act's „rights-driven technological governance"[6]. Civil society organisations (CSOs) are expected to leverage their expertise and participate alongside the other stakeholders in the creation of new, valuable linkages.[7] The EU AI Act regulates interests and stakeholder participation in a way that bridges industry representatives with civil society organisations, academia, SMEs, and start-ups, both within the setup of new bodies, like the Advisory Forum, as well as the development of standards to a certain degree.[8] By monitoring „serious incidents" – which under Article 3(49) include any „infringement of obligations intended to protect fundamental rights" – civil society acts as a primary trigger for enforcement actions, using the so-called decentralised oversight.[9]

It is still questionable whether these efforts of broad stakeholder involvement will be effective, considering already existing actors who have accumulated regulatory capacities in the regulatory space of AI. This is because non-commercial actors remain at a disadvantaged position due to the lack of significant resources in terms of financial capital, organisational capacities, and most importantly, expertise[10].

The Core Mechanism: Fundamental Rights Impact Assessment (FRIA)

Under Article 27 of the EU AI Act, public authorities and certain private „deployers" of high-risk AI must now perform a Fundamental Rights Impact Assessment (FRIA).

The two key categories of operators, regulated by the EU AI Act, are the deployer and the provider[11]. The deployer is defined as a „person, public

---

[5] Research Associate at the Wilfried Martens Centre for European Studies, May 19, 2026.

[6] Georgios Pavlidis, „The EU AI Act and the Rights-Based Approach to Technological Governance", *Review of European and Comparative Law*, 64, no. 1 (2026): 118, https://doi.org/10.31743/recl.19283.

[7] Sabrina Kutscher, „The EU AI act: Law of unintended consequences", *Technology and Regulation*, 2025 (2025): 316-335, https://doi.org/10.71265/krne7205.

[8] *Ibidem*.

[9] Pavlidis, *op. cit*, 19.

[10] Kutscher, *op. cit*.

[11] See: Artificial Intelligence Act (Regulation (EU) 2024/1689), Official Journal version of 13 June 2024, art. 3.

authority, agency, or other body using an AI system under its authority". The provider is the person „that develops an AI system, or that has an AI system developed and places it on the market or puts the AI system into service under its own name or trademark". Providers have very extensive obligations under the EU AI Act, but the FRIA obligation binds deployers.

The FRIA obligation under Article 27 applies only in respect of certain types of high-risk AI systems, listed in Annex III of the Act. These are the systems that are used to make predictions or evaluations that will have an impact on human beings, in areas such as hiring, admission to education, immigration decisions, law enforcement, and biometric identification. This explains why the obligation also extends to private actors engaged in the assessment of creditworthiness or life/health insurance pricing. These are all applications where an incorrect decision can significantly affect the life of an individual. The obligation applies mostly in respect of public bodies or private bodies providing public services.[12]

While the EU AI Act does not expressly define the FRIA, it explains what the objective of the assessment is and what it must contain. Recital 96 of the AI Act states that „the aim of the fundamental rights impact assessment is for the deployer to identify the specific risks to the rights of individuals or groups of individuals". More so, the FRIA helps to „identify measures [to take] in the case of a materialisation of those risks". Organisations must conduct the FRIA „prior to deploying the high-risk AI system". They must also update it „when any of the relevant factors have changed".[13]

To prove compliance with this innovative requirement, it is essential that the assessment methodology remain reproducible and transparent and that the results are made accessible. Lastly, in Art. 27 it is stated that the AI Office shall develop a template for a questionnaire, including through an automated tool, to facilitate deployers in complying with their obligations under Art. 27.[14]

Despite the importance of participation in improving risk awareness, reducing exclusion and biases, and better framing risks, including through co-design, the EU AI Act pays limited attention to this aspect. While the text proposed by the European Parliament included elements of participation in the FRIA, the final version has not adopted a clear participatory approach. Only Recital 96 states that deployers „could involve" relevant stakeholders, including the representatives of groups of persons likely to be affected by the AI system, independent experts, and civil society organisations, leaving room

---

[12] Gill-Pedro, *op. cit.*

[13] Kezia Vilawa, „Difference between Fundamental Rights Impact Assessment & Data Protection Impact Assessment," *Blog TechGDPR*, July 30, 2024, https://techgdpr.com/blog/difference-fundamental-rights-impact-assessment-dpia/.

[14] Samuele Bertaina et al., „Fundamental rights and artificial intelligence impact assessment: A new quantitative methodology in the upcoming era of AI Act," *Computer Law & Security Review*, 56 (2025): 1-24, https://doi.org/10.1016/j.clsr.2024.106101.

for participation „when appropriate“ and as a mere possibility („could involve“) „to collect relevant information necessary to perform the impact assessment“.[15]

The impact of civil society on Fundamental Rights Impact Assessment (FRIA)

Civil society organisations (CSOs) – such as human rights watchdogs, digital rights advocacy groups, and non-profits – have a massive impact on FRIA. In fact, without civil society, the concept of a Fundamental Rights Impact Assessment would likely just be a corporate „checkbox“ exercise rather than a meaningful tool for accountability.

Civil society is the primary reason FRIAs are legally mandated in the EU AI Act. During the drafting of the AI Act, early versions focused heavily on product safety and technical compliance for developers. A massive coalition of digital rights groups (such as European Digital Rights (EDRi), Amnesty International, and Human Rights Watch) successfully campaigned to shift focus toward the deployers of AI. They argued that technical safety does not guarantee human rights safety[16].

Because of this pressure, Article 27 was added, legally binding high-risk AI deployers to conduct these assessments before launching their systems.

The EU did manage to provide valid legislation for the AI environment, but it needs help with the day-to-day tools needed to put everything into practice. Civil society organisations have stepped in to build the actual methodologies used to conduct a FRIA. Rather than waiting for state regulators, prominent civil society bodies and academic-CSO hybrids have published comprehensive toolkits.

In December 2025, the European Centre for Not-for-Profit Law (ECNL) and the Danish Institute for Human Rights released *A Guide to Fundamental Rights Impact Assessments (FRIA),* the definitive guide for these assessments. The guide argues that meaningful FRIAs should go beyond technical compliance and include participation, oversight, and engagement with affected communities and civil society organisations.

The key points about civil society and fundamental rights in the guide include:

- **Civil society participation is essential to „meaningful“ FRIAs.** The guide stresses that affected groups, their representatives, and civil society organisations with human rights expertise should be consulted throughout

[15] Alessandro Mantelero, „The Fundamental Rights Impact Assessment (FRIA) in the AI Act: Roots, legal obligations and key elements for a model template“, *Computer Law & Security Review*, 54 (2024): 17, https://doi.org/10.1016/j.clsr.2024.106020.

[16] European Digital Rights (EDRi) et al., *An EU Artificial Intelligence Act for Fundamental Rights. A Civil Society Statement*, November 30, 2021, https://edri.org/wp-content/uploads/2021/12/Political-statement-on-AI-Act.pdf.

the FRIA process. Participation is framed as necessary for identifying harms that technical teams may overlook.

- **Civil society helps assess risks to fundamental rights.** The guide recommends involving organisations with expertise in anti-discrimination, migration rights, disability rights, children's rights, privacy and data protection, due process, and democratic participation. CSOs argue that a FRIA cannot be done entirely behind closed doors by corporate lawyers. They actively advocate for mandatory inclusion of marginalised groups – ensuring that the people most likely to be harmed by an algorithm have a voice during the assessment process.
- **FRIAs are presented as accountability tools, not checklists.** The guide warns against reducing FRIAs to „box-ticking exercises." Civil society is positioned as an external scrutiny mechanism that can challenge superficial compliance and push organisations to genuinely mitigate harms.
- **Fundamental rights are the benchmark for assessment.** The FRIA process is grounded in the European Union Charter of Fundamental Rights, the Council of Europe European Convention on Human Rights, and international human rights treaties. Civil society organisations are expected to contribute expertise on how AI systems may interfere with these rights in practice.
- **Transparency and public reporting**. The guide encourages public transparency around FRIA outcomes and mitigation measures, enabling civil society to monitor deployments and challenge harmful uses of AI.[17] Once an AI system is deployed, civil society acts as an essential counterweight to corporate or governmental overreach. Under frameworks like the EU AI Act, certain FRIA results or summaries must be registered in a public database. Civil society groups aggressively check these databases to ensure organisations aren't simply „ethics washing" their operations.

Critics of FRIA

While Civil Society Organisations (CSOs) were the primary advocates for including the Fundamental Rights Impact Assessment (FRIA) in the EU AI Act, they remain its sharpest critics. Based on the final AI Act text, there are doubts whether it will prevent human rights violations and serve as a meaningful tool of accountability. Their critiques concentrate on the final legal text's perceived „watered-down" nature and the risks of it becoming a bureaucratic „tick-box" exercise.

The most significant criticism from CSOs like EDRi and Amnesty International is that the mandatory FRIA does not apply to everyone. The final AI Act only mandates FRIAs for public authorities and specific private entities (e.g.,

[17] European Centre for Not-for-Profit Law and Danish Institute for Human Rights', *A Guide to Fundamental Rights Impact Assessments (FRIA)*, December 2025, https://ecnl.org/sites/default/files/2025-12/ECNL%20DIHR%20Guide%20to%20FRIA%20Dec%202025.pdf.

those in banking or insurance). CSOs argue that high-risk AI used by other private corporations can be just as damaging to rights but faces less scrutiny. A major „red line" for CSOs was the broad exemption for AI used for national security and law enforcement purposes.

The EDRI and AI coalition partners for FRIA agree that the standards for fundamental rights impact assessments are weak. They are noticeably clear on the following three primary shortcomings:

- Lack of meaningful assessment and the obligation to prevent negative impacts: While the new rules require deployers of high-risk AI systems to list risks of harm to people, there is no explicit obligation to assess whether these risks are acceptable in light of fundamental rights law, nor to prevent them wherever possible. Regrettably, deployers only have to specify which measures will be taken once risks materialise, likely once the harm has already been done.
- No mandatory stakeholder engagement: The requirement to engage external stakeholders, including civil society and people affected by AI, in the assessment process was also removed from the article at the last stages of negotiations. This means that civil society organisations will not have a direct, legally binding way to contribute to impact assessments.
- Transparency exceptions for law enforcement and migration authorities: While in principle, deployers of high-risk AI systems will have to publish the summary of the results of FRIAs, this will not be the case for law enforcement and migration authorities. The public will not even have access to the mere information that an authority uses a high-risk AI system in the first place. Instead, all information related to the use of AI in law enforcement and migration will only be included in a non-public database, severely limiting constructive public oversight and scrutiny.[18] Groups like Access Now argue that if affected citizens and watchdogs cannot read the assessment, they cannot challenge its conclusions or hold deployers accountable when things go wrong.

These shortcomings can hopefully be addressed by the newly established European Commission's AI Office, which will develop a template providing more detail on the practical implementation of FRIAs.[19]

„Shadow FRIAs"

Thie lack of recognised methodologies severely affects civil society's capacity to investigate these systems, keep them accountable and does not

[18] EDRi and AI coalition partners, „EU's AI Act fails to set gold standard for human rights", *Resources,* April 3, 2024, https://edri.org/our-work/eu-ai-act-fails-to-set-gold-standard-for-human-rights/

[19] European Centre for Not-for-Profit Law (ECNL), „Packed with loopholes: why the AI Act fails to protect civic space and the rule of law", *Digital Spaces*, April 3, 2024, https://ecnl.org/news/packed-loopholes-why-ai-act-fails-protect-civic-space-and-rule-law.

improve the status quo. Civil society has to continue investigating these harmful uses of AI using existing methods, e.g., through investigations, freedom of information requests, and procurement records.

To bridge the gaps in official legislation, several prominent CSOs have developed „Shadow FRIA“ tools and independent frameworks. These serve as both benchmarks to judge official reports and practical toolkits for organisations that want to go beyond the bare minimum of the law.

1. ECNL & Danish Institute: The Operational Guide

The European Centre for Not-for-Profit Law (ECNL) and the Danish Institute for Human Rights released, as mentioned before, one of the most comprehensive „shadow“ guides for Article 27. Unlike corporate templates that focus on „intended use,“ this guide forces deployers to model „worst-case scenarios“ to identify hidden risks to marginalised groups. They break down solutions into technical (code changes), organisational (human oversight protocols), and contractual (holding the software vendor legally liable for flaws)[20].

2. The „5 E's Framework“ for Stakeholder Engagement

Recognising that many FRIAs ignore the „people“ part of the assessment, AlgorithmWatch proposed the 5 E's Framework to ensure stakeholder engagement is legitimate:

- Equity: Ensuring marginalised voices aren't just invited but have the same weight as experts.
- Expertise: Bringing in academic and community knowledge.
- Effectiveness: Ensuring the consultation results in changes to the AI system.
- Empowering: Giving participants the information they need to critique the system fairly.
- Expanding Competencies: Training community members to understand the AI's impact[21].

3. „Shadow Monitoring“ and Public Repositories

Since the EU AI Act's central database may not include the full text of impact assessments, CSOs are planning to host „Public Impact Repositories“ where whistleblowers or cooperative companies can upload their FRIAs to be peer-reviewed by civil society. No-name groups are providing „red teaming“ checklists that allow external researchers to stress-test a company's AI for bias, then compare those findings against the company's official FRIA. By

---

[20] European Centre for Not-for-Profit Law and Danish Institute for Human Rights, *A Guide to Fundamental Rights Impact Assessments (FRIA)*, December 2025, https://ecnl.org/publications/guide-fundamental-rights-impact-assessments-fria.

[21] Michele Loi and Oliver Marsh, „Ensuring Legitimacy in Stakeholder Engagement: The '5 Es' Framework“, *AlgorithmWatch*, February 14, 2024, https://algorithmwatch.org/en/stakeholder-legitimacy-framework.

creating these tools, NGOs are making it impossible for companies to claim they „didn't know how" to do a proper assessment.

The European Commission oversees designing the database and must consult with relevant experts and stakeholders. This is an opening for civil society to ensure that the database contains useful information. Once set up, it can be used to identify potentially harmful systems, contact their providers or deployers, and assess the results of FRIAs.[22]

Conclusion

The EU AI Act stands for a landmark attempt to regulate AI and protect fundamental rights. However, civil society organisations argue that the effectiveness of the AI Act will depend not only on the legal text itself but also on enforcement, democratic oversight, and continued participation from civil society actors in shaping AI governance.

To strengthen civil society's role in protecting fundamental rights under the EU AI Act, reforms should be considered, such as developing standardised methodologies for Fundamental Rights Impact Assessments, institutionalising civil society participation in AI governance bodies, and increasing funding opportunities for digital rights organisations. Such measures would improve democratic accountability and enhance public trust in AI governance.

We agree on a sustainable direction for the proper regulation of the EU AI Act in the protection of fundamental rights. The design of governance frameworks and institutional mechanisms for fostering and supporting practical cooperation and communication among diverse stakeholders, including technology developers, policymakers, users, and civil society, is a crucial element for effective AI governance. Addressing these challenges through in-depth research and concerted societal efforts is essential for cultivating a responsible and trustworthy AI ecosystem. [23]

References

1. Bertaina, Samuele, Ilaria Biganzoli, Rachele Desiante, et al., „Fundamental rights and artificial intelligence impact assessment: A new quantitative methodology in the upcoming era of AI Act", *Computer Law & Security Review,* 56 (2025): 1-24, https://doi.org/10.1016/j.clsr.2024.106101.
2. Council of Europe, *The Framework Convention on Artificial Intelligence*, 2024, https://www.coe.int/en/web/artificial-intelligence/the-framework-convention-on-artificial-intelligence.

[22] European Centre for Not-for-Profit Law (ECNL), *Towards an AI Act that serves people and society*, August 2024. https://ecnl.org/sites/default/files/2024-08/AIAct%20implementation_ECNL%20report.pdf

[23] B.-J. Kim, S. Jeong, B. -K. Cho and J.-B. Chung, „AI Governance in the Context of the EU AI Act", IEEE Access, 13 (2025): 144126-144142, https://doi.org/10.1109/ACCESS.2025.3598023

3. EDRi and AI coalition partners, „EU's AI Act fails to set gold standard for human rights", *Resources*, April 3, 2024, https://edri.org/our-work/eu-ai-act-fails-to-set-gold-standard-for-human-rights/.
4. European Centre for Not-for-Profit Law (ECNL), „AI Omnibus: deregulation at the expense of fundamental rights", *Digital Spaces,* May 11, 2026, https://ecnl.org/news/ai-omnibus-deregulation-expense-fundamental-rights.
5. European Centre for Not-for-Profit Law (ECNL), „Big win for fundamental rights, as the European Parliament adopts the AI Act", *Digital Spaces*, June 14, 2023, https://ecnl.org/news/big-win-fundamental-rights-european-parliament-adopts-ai-act.
6. European Centre for Not-for-Profit Law (ECNL), „Packed with loopholes: why the AI Act fails to protect civic space and the rule of law", *Digital Spaces*, April 3, 2024, https://ecnl.org/news/packed-loopholes-why-ai-act-fails-protect-civic-space-and-rule-law.
7. European Centre for Not-for-Profit Law (ECNL), *Towards an AI Act that serves people and society*, August 2024, https://ecnl.org/sites/default/files/2024-08/AIAct%20implementation_ECNL%20report.pdf.
8. European Centre for Not-for-Profit Law and Danish Institute for Human Rights, *A Guide to Fundamental Rights Impact Assessments (FRIA),* December 2025, https://ecnl.org/publications/guide-fundamental-rights-impact-assessments-fria.
9. European Commission, „Press-release: EU agrees to simplify AI rules to boost innovation and ban 'nudification' apps to protect citizens", *Press corner*, May 7, 2026, https://ec.europa.eu/commission/presscorner/detail/en/ip_26_1024.
10. European Digital Rights (EDRi), Access Now, Panoptykon Foundation, et al., *An EU Artificial Intelligence Act for Fundamental Rights. A Civil Society Statement*, November 30, 2021, https://edri.org/wp-content/uploads/2021/12/Political-statement-on-AI-Act.pdf.
11. Foitzick, Vivien, „The fundamental rights impact assessment under the AI Act", *activeMind.legal,* November 26, 2025, https://www.activemind.legal/guides/fundamental-rights-impact-assessment/.
12. Fundamental Rights Agency (FRA). *Getting the future right. Artificial intelligence and fundamental rights (Summary)*, 2021, https://fra.europa.eu/sites/default/files/fra_uploads/fra-2021-artificial-intelligence-summary_en.pdf.
13. Gill-Pedro, Eduardo, „Fundamental Rights Impact Assessments in the EU's AI Act: A teleological and contextual analysis of the obligations of deployers", *European Journal of Law and Technology*, 16, no. 3 (2025): 1-24, https://ejlt.org/index.php/ejlt/article/view/1065.
14. Kim, B.-J., S. Jeong, B. -K. Cho and J. -B. Chung, „AI Governance in the Context of the EU AI Act", *IEEE Access*, 13 (2025): 144126-144142, https://doi.org/10.1109/ACCESS.2025.3598023.
15. Kutscher, Sabrina, „The EU AI act: Law of unintended consequences", *Technology and Regulation*, 2025 (2025): 316-334, https://doi.org/10.71265/krne7205.
16. Loi, Michele, and Oliver Marsh. „Ensuring Legitimacy in Stakeholder Engagement: The '5 Es' Framework", *AlgorithmWatch,* February 14, 2024. https://algorithmwatch.org/en/stakeholder-legitimacy-framework/.
17. Malgieri, Gianclaudio and Cristiana Santos, „Assessing the (severity of) impacts on fundamental rights", *Computer Law & Security Review,* 56 (2025): 1-18, https://doi.org/10.1016/j.clsr.2025.106113.

18. Mantelero, Alessandro, „The Fundamental Rights Impact Assessment (FRIA) in the AI Act: Roots, legal obligations and key elements for a model template“, *Computer Law & Security Review,* 54 (2024): 1-18, https://doi.org/10.1016/j.clsr.2024.106020.

19. Marchetti, Élise, „EU AI Act closes, bans nudification apps, delays rules“, *Press Review*, May 8, 2026, https://pressreview.eu/eu-ai-act-omnibus-deal-closed-7-may-2026-annex-iii-postponed-december-2027.

20. Pavlidis, Georgios, „The EU AI Act and the Rights-Based Approach to Technological Governance“, *Review of European and Comparative Law,* 64, no. 1 (2026): 117-132, https://doi.org/10.31743/recl.19283.

21. REGULATION (EU) 2024/1689 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act), *Official Journal of the European Union L*, 2024/1689, July 12, 2024. https://eur-lex.europa.eu/eli/reg/2024/1689/oj/eng.

22. Sachoulidou, Athina, „A Typology of Automated Law Enforcement Systems Under EU Law: What Standards for Defence Rights?“, *European Papers-A Journal on Law and Integration,* 11, no. 1 (2026): 595-630, https://www.europeanpapers.eu/e-journal/typology-automated-law-enforcement-systems-under-eu-law-what-standards-defence-rights.

23. Vilawa, Kezia, „Difference between Fundamental Rights Impact Assessment & Data Protection Impact Assessment“, *Blog TechGDPR*, July 30, 2024, https://techgdpr.com/blog/difference-fundamental-rights-impact-assessment-dpia/.

THE TRANSFORM4EUROPE EXPERIENCE: CHALLENGES AND OPPORTUNITIES IN CROSS-BORDER MICROCREDENTIALING

Assoc. Prof. Nikolina Tsvetkova, PhD
https://orcid.org/0000-0002-1512-7712
Sofia University „St. Kliment Ohridski"

Asst. Prof. Desislava Karaasenova, PhD
https://orcid.org/0000-0003-4926-2223
Sofia University „St. Kliment Ohridski"

This paper explores the role of microcredentials as innovative tools in higher education, with a particular focus on their implementation within the Transform4 Europe University Alliance. Drawing on recent literature, it examines the opportunities microcredentials offer for learners, employers and higher education institutions while also addressing the challenges related to governance, policy alignment across different national systems, recognition and institutional integration. It also highlights the growing importance of university alliances as spaces for experimentation with microcredentialing. Building on this, the paper presents the Transform4Europe experience as a case study of cross-border microcredential development. It describes the design and implementation of the joint microcredential programme ***Navigating Cultural and Academic Integration in Student Mobility*** *which aims to support students' adaptation to new academic and cultural environments. It suggests that such programmes can contribute to more inclusive and effective mobility experiences while also offering insights for the further development of microcredentials in European higher education.*

Keywords: microcredentials, European University Alliances, European Higher Education Area

Microcredentials in context: opportunities, challenges and emerging practices in European University Alliances

According to the Council Recommendation on a European approach to microcredentials[1], microcredentials refer to the record of the learning outcomes

[1] Council of the European Union, *Council Recommendation of 16 June 2022 on a European Approach to Micro-Credentials for Lifelong Learning and Employability.*

that a learner has acquired following a small volume of learning, assessed against transparent and clearly defined criteria. They are designed to certify targeted competences from short learning experiences and can be accumulated, shared and recognised across institutional and national contexts.

Within the current literature, microcredentials are seen as a solution that brings together the interests of several stakeholders and creates new opportunities for learning, employability and institutional development[2,3]. They offer flexible and often more affordable paths to engage in lifelong learning and allow learners to develop new skills or update existing ones without the time commitment required by a full degree. Microcredentials can serve as a transparent and reliable evidence of specific competences, enhancing the visibility of skills and supporting more efficient recruitment processes. At the same time, they provide higher education institutions with opportunities to innovate in teaching and learning, diversify their offers and remain responsive to the demands of a rapidly changing social and economic environment.

Despite the opportunities that microcredentials offer to different stakeholders, the literature also points to a number of challenges that need to be addressed before their full potential can be realised. As noted in recent studies[4,5] their effective integration requires a shift in institutional culture and ways of working within higher education. One of the key challenges lies in ensuring quality and building trust, especially in relation to accreditation and recognition. For microcredentials to gain wider acceptance they need to be clearly aligned with existing frameworks such as national qualifications frameworks and the European Higher Education Area. Institutional factors can slow this process too. Traditional educational structures are not always well adapted to more flexible, modular forms of learning, and universities may encounter resistance and scepticism among academic staff as well as the absence of design standards for microcredentials.

Recent research increasingly positions European University Alliances as key environments for experimenting with and scaling the use of microcredentials[6,7]. These alliances bring together institutions from different national systems thereby creating a unique space for testing new forms of teaching and learning. In this context, microcredentials are emerging as important tools for cross-border student mobility, supporting more flexible and modular learning pathways and enabling the development of joint curricula across the partner

---

[2] Varadarajan et al., *A Systematic Review of the Opportunities and Challenges of Micro-Credentials for Multiple Stakeholders: Learners, Employers, Higher Education Institutions and Government*.

[3] Tamoliune et al., *Exploring the Potential of Micro-Credentials: A Systematic Literature Review*.

[4] Ahsan et al., *Implementation of Micro-Credentials in Higher Education: A Systematic Literature Review*.

[5] McGreal and Olcott, *A Strategic Reset: Micro-Credentials for Higher Education Leaders*.

[6] Gunn, *The European Universities Initiative (EUI): Accomplishments and Challenges*.

[7] Carțiș and Iucu, *Empowering Micro-Credentials through European Universities Alliances: A Systematic Mapping and Case Study Approach*.

institutions. They also align closely with the broader goals of alliances such as enhancing internationalisation, promoting inclusive access to learning and strengthening cooperation between higher education systems.

The implementation of microcredentials within these transnational structures, however, is not an easy endeavour. As highlighted in the literature, alliances must navigate between centralised coordination and institutional autonomy, particularly when it comes to the design, delivery and recognition of microcredentials across different national contexts. Efforts to ensure coherence and mutual recognition often need to coexist with diverse regulatory frameworks, institutional practices and accreditation requirements. As a result, the successful integration of microcredentials within European University Alliances depends not only on pedagogical innovation but also on policy alignment and the development of shared standards that enable trust and portability across borders.

Microcredentialing in the Transform4Europe Alliance

The European University Alliance Transform4Europe (T4EU)[8] was established in 2020 and the then seven members are now eleven comprising ten full members: Saarland University – Germany, University of Alicante – Spain, Estonian Academy of Arts – Estonia, Universidade Católica Portuguesa (Catholic University of Portugal) – Portugal, University of Primorska – Slovenia, Jean Monnet University – France, University of Silesia in Katowice – Poland, Sofia University „St. Kliment Ohridski" – Bulgaria, University of Trieste – Italy, Vytautas Magnus University – Lithuania, and one associated member: Mariupol State University – Ukraine. For the second period of its development (2023-2027), among the aims concerning joint study offers the T4EU Alliance has set itself are the rollout of at least 25 microcredentials across the Alliance and a joint Knowledge Entrepreneurialism one. After long initial discussions during which the partners came up with a joint definition of microcredentials which in general differs from the one provided by the Council[9] in that it envisages the option to award ECTS credit points, i.e. 1, 1.5, 2, etc. up to 30 (depending on the university offering the microcredential so that its institutional and national specifics are complied with). The target learner groups of these short learning courses encompass bachelor, master, or PhD students, university employees as well as a large pool of specialists from the labour market. In the course of 2023-2025, the efforts of T4EU were mainly directed towards developing and implementing an integrated long-term joint strategy and a framework for microcredentials to ensure sustainable mobility and collaborative efforts; creating a joint microcredential approach based on the good practices established in 2020-2023, creating a portfolio of existing microcredentials at each of the partner universities that can be offered

[8] Transform4Europe, https://transform4europe.eu/

[9] Council of the European Union, *Council Recommendation of 16 June 2022 on a European Approach to Micro-Credentials for Lifelong Learning and Employability*.

to the whole Alliance, and/or can be combined with new ones, specifically designed to cater for the wide range of identified target groups, developing jointly a T4EU Knowledge Entrepreneurs Microcredential for students, utilising various strategies to make it possible for academics from the Alliance to meet and work together in order to stimulate creating new joint microcredentials. This approach takes into consideration the microcredentialing principles set out by the Council[10], namely, the principles of quality, transparency, relevance, valid assessment, learning pathways, recognition, portable, learner-centred, authentic, information and guidance, complemented with the following, which were specially designed to suit the T4EU educational ecosystem:

- adherence to the existing national legal requirements actively seeking opportunities to initiate dialogue with the respective authorities such as Ministries of Education and Labour as well as certification bodies in order to use the good practices from the Alliance and bring about innovation and change to the existing national frameworks;
- respect for the variety and specific institutional, regional and national contexts of the T4EU partner universities;
- respect for and consideration of the various learners' needs – from school leavers through university students to lifelong learning;
- consideration of the most pressing societal needs at the level of individual partners and at Alliance level;
- opportunity for learners from the whole Alliance and beyond to follow the T4EU Microcredential courses/programmes;
- variety and flexibility of the Microcredential courses/programmes offered by the T4EU Alliance in terms of format, duration and mode of delivery;
- real needs-driven T4EU Alliance Microcredential courses/programmes meaning MC courses correspond to identified learner and labour market needs and provide opportunities for active, independent, hands-on learning.

Despite the seeming difficulties due to the differences in national legal frameworks, microcredentials have so far proved to be the most popular and quickly developing segment of the T4EU joint study offer. This is proved by the 52 courses which were available to enrol as of mid-May 2026 and the over 500 learners from across the Alliance enrolled in them. Another aspect which is worth mentioning is that currently inter-university teams comprising up to four of the partner institutions are developing more than ten new joint microcredentials in the three target areas - Environmental Transformation: Promoting sustainable campuses, biodiversity, and green initiatives, Digital Transformation: Developing modern technologies and digital skills, Social and Economic Transformation: Focusing on inclusion, entrepreneurship, and regional development. An interesting tendency displayed in these newly developed micro learning opportunities which

[10] Ibid.

needs to be further investigated after their implementation is their going beyond stand-alone microcredentials. Instead, the content creators seem to prefer an approach which leads to developing modular sequences of microcredentials which can provide flexible learning pathways depending on the educational level, learners' needs and personal interests.

Based on the above, it can be contended that microcredentials may prove to be an effective tool for creating the inter-university campus of the European University Alliances and for achieving the aims of the European Education Area[11] and since the T4EU experience in this respect is under development, it will be necessary to carefully monitor and analyse the results of offering existing and creating new micro learning opportunities.

Designing a joint microcredential programme for cultural and academic integration in student mobility

Research on student mobility shows that international experiences do not automatically result in the development of intercultural competence. On the contrary, without appropriate pedagogical support and critical reflection, some students may even experience a regression in intercultural sensitivity, returning from mobility periods with reinforced stereotypes, heightened prejudices and a reduced willingness to engage in intercultural relationships[12, 13]. To address the gap between the intended outcomes of mobility programmes and their actual impact, it is essential to systematically integrate intercultural awareness into mobility initiatives. Microcredentials, as a flexible and learner-centred form of learning, offer a particularly promising pathway in this regard by allowing students to develop targeted and relevant competences. Their emphasis on practical skills and accessibility makes them especially valuable in the context of international student mobility where academic success is closely tied to the ability to navigate cultural differences and unfamiliar educational practices.

In response to this need, a team of academics from Sofia University „St. Kliment Ohridski" set out to design a microcredential course that would support Transform4Europe students in developing the competences required for effective cultural and academic integration during their mobility. When presented to partner institutions within the Transform4Europe Alliance, the initiative attracted the interest of colleagues from Universidad de Alicante, Universidade Católica Portuguesa and Université Jean Monnet. Their shared commitment led to the expansion of the initial idea into a collaborative initiative that resulted in the development of a flexible joint microcredential programme titled *Navigating Cultural and Academic Integration in Student Mobility*. This programme is composed of stand-alone modules designed for BA, MA and PhD students preparing for international mobility.

---

[11] European Education Area, https://education.ec.europa.eu/.

[12] Coleman, *Researching Whole People and Whole Lives*.

[13] Fantini, *Intercultural Communicative Competence in Educational Exchange: A Multinational Perspective*.

The team consists of academic staff with substantial experience in course design and intercultural communication training. This ensures that the micro-credential is both theoretically sound and practically relevant. The overarching aim is to equip students with analytical tools that enable them to interpret their intercultural experiences within broader socio-cultural and ideological contexts. In particular, the programme seeks to support students in understanding the underlying values and intentions that shape cultural practices and academic norms and foster an informed respect for difference. It also encourages learners to develop strategies for navigating intercultural tensions and conflicts, to critically reflect on their own cultural and ideological assumptions, to recognise and manage the expectations that arise in intercultural encounters.

The proposed microcredential programme is designed to be both flexible and widely applicable. Its modular structure makes it easily replicable and open to adaptation by other members of the Alliance allowing similar learning opportunities to be implemented across the partner institutions. At the same time, the programme is stackable as it enables students to accumulate multiple microcredentials over time and work towards a recognised portfolio in intercultural communication. The skills developed are also highly transferable, extend beyond academic contexts and offer clear value for participation in today's globalised workforce. The programme combines both theoretical and practical components to ensure that students' learning can be meaningfully assessed through the development of concrete competences.

Building on these principles, the programme is expected to support students in navigating the challenges commonly associated with studying abroad, including the experience of culture shock. It seeks to foster a more open and positive attitude towards cultural diversity while helping learners to feel more confident and less anxious in unfamiliar cultural settings. At the same time, it encourages a sense of curiosity and readiness to engage with new and sometimes unexpected experiences. Ultimately, the programme aims to facilitate students' successful integration into both the academic and social environments of their host country.

The microcredential programme is designed to be flexible and can be offered in online, hybrid or face-to-face formats. It is particularly well suited for delivery during Transform4Europe weeks or as part of pre-departure preparation for mobility students. The courses follow a task-based, learner-centred approach that promote critical thinking, intercultural reflection and the development of practical skills. Students can choose to take one or all four of the offered microcredentials, in any order that best suits their interests and needs.

As part of each microcredential students engage with a dedicated module on intercultural communication theory which introduces key frameworks for understanding and interpreting cultural differences. Through critical engagement with these frameworks, students gain deeper insight into how cultural values shape both academic and interpersonal interactions. A second module focuses on the ways in which cultures and academic norms vary across academic contexts. While maintaining a critical perspective, students are provided with

practical tools to help them navigate differences in communication, collaboration and academic practices more effectively, with particular attention to the national and institutional contexts of the host universities.

The theoretical module in the microcredential course offered by Sofia University within the *Navigating Cultural and Academic Integration in Student Mobility* programme comprises a series of interactive lectures based on the cross-cultural framework developed by Erin Meyer[14]. The use of Meyer's framework is particularly relevant in this context as it provides a clear and practical structure for understanding how cultural differences shape everyday academic and interpersonal interactions. It enables students to move beyond essentialist or stereotypical views by mapping cultures along a set of key dimensions, and thereby to develop a more nuanced and flexible perspective. This makes it especially suitable for mobility settings where students need to interpret unfamiliar behaviours and adapt their communication strategies accordingly.

The teaching sessions follow an experiential learning approach to encourage active student engagement. Students participate in guided self-reflection exercises where they map their own cultural preferences along the eight dimensions of the framework. They reflect on how they typically approach communication (direct vs. indirect), how they perceive evaluation and feedback (direct vs. indirect negative feedback), how they prefer to persuade others (principles-first vs. applications-first). Students explore dimensions related to leadership (egalitarian vs. hierarchical), decision-making (consensus-based vs. top-down) and trust-building in teams. The interactive lectures also address how students approach disagreement (confrontational vs. non-confrontational styles) and how they perceive and manage time (linear vs. flexible scheduling).

This reflective approach is essential because it encourages students to begin by examining their own cultural assumptions before engaging with other perspectives. Developing awareness of their own cultural frame of reference is an important first step as it helps students recognise that their ways of communicating, evaluating and collaborating are not universal but culturally shaped. Starting from one's own cultural perspective provides a solid foundation for developing intercultural competence and will enable students to navigate diverse environments more effectively and to integrate successfully into the globalised workforce.

The second module focuses on helping international students successfully adapt to the Bulgarian academic environment and broader cultural context. This component is particularly important as effective participation in mobility programmes depends not only on intercultural awareness in general but also on the ability to navigate the specific academic expectations, communication styles and everyday practices of the host institution, including assessment methods, classroom interaction patterns, expectations regarding independent

[14] Meyer, *The Culture Map: Decoding How People Think, Lead, and Get Things Done across Cultures*.

work, the implicit norms that shape relationships between students and academic staff. The module adopts a student-centred approach placing the learners' experiences and perspectives at the core of the learning process. The design is based on empirical data from semi-structured interviews with international students who have spent at least one, and often two, semesters as exchange students at Sofia University. The learning activities therefore are grounded in the students lived experiences and reflect the real challenges, misunderstandings and adaptation strategies they encountered and applied.

Concluding remarks

This paper has shown that microcredentials hold considerable potential within the collaborative frameworks of European University Alliances. It has highlighted both the opportunities they offer for fostering intercultural and academic integration, and the structural and institutional challenges that affect their implementation. The Transform4Europe experience illustrates how these dynamics unfold in practice while the joint *Navigating Cultural and Academic Integration in Student Mobility* microcredential programme provides a concrete example of how such initiatives can be designed in a learner-centred, research-informed and contextually grounded way. At the same time, further research is needed to assess the long-term impact of such programmes on students' intercultural development, academic performance and sense of belonging in host institutions. Comparative studies across different alliances would also be valuable in identifying effective models of management, design and recognition of microcredentials in transnational contexts. Finally, more attention could be paid to the perspectives of students and academic staff in order to better understand how microcredentials are experienced and how they can be more effectively integrated into institutional practices. Such research would contribute to strengthening the role of microcredentials as meaningful and sustainable elements of European higher education.

References

1. Ahsan, K., S. Akbar, B. Kam, and M. D. A. Abdulrahman. 2023. „Implementation of Micro-Credentials in Higher Education: A Systematic Literature Review". *Education and Information Technologies* 28 (10): 13505-13540.
2. Council of the European Union. 2022. „Council Recommendation of 16 June 2022 on a European approach to micro-credentials for lifelong learning and employability". *Official Journal of the European Union* C 243 (June 27): 10-25. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=oj:JOC_2022_243_R_0002
3. Coleman, J. A. 2013. „Researching whole people and whole lives". In: *Social and Cultural Aspects of Language Learning in Study Abroad*. Ed. Kinginger, C. Pp. 17-44. Amsterdam: John Benjamins Publishing.
4. Fantini, A. E. 2019. *Intercultural communicative competence in educational exchange: A multinational perspective*. New York: Routledge.

5. Meyer, Erin. 2015. *The Culture Map: Decoding How People Think, Lead, and Get Things Done across Cultures*. New York: PublicAffairs.
6. Olcott, Don, Jr. 2022. „Micro-Credentials: A Catalyst for Strategic Reset and Change in US Higher Education". *American Journal of Distance Education* 36 (1): 19-35.
7. Tamoliune, G., R. Greenspon, M. Tereseviciene, A. Volungeviciene, E. Trepule, and E. Dauksiene. 2023. „Exploring the Potential of Micro-Credentials: A Systematic Literature Review". *Frontiers in Education* 7 (January): 1006811.
8. Varadarajan, S., J. H. L. Koh, and B. K. Daniel. 2023. „A Systematic Review of the Opportunities and Challenges of Micro-Credentials for Multiple Stakeholders: Learners, Employers, Higher Education Institutions and Government". *International Journal of Educational Technology in Higher Education* 20 (1): 13.Ahsan, K., S. Akbar, B. Kam, and M. D. A. Abdulrahman. „Implementation of Micro-Credentials in Higher Education: A Systematic Literature Review". Education and Information Technologies 28, no. 10 (2023): 13505-13540.
9. Carţiş, A., and R. Iucu. „Empowering Micro-Credentials through European Universities Alliances: A Systematic Mapping and Case Study Approach." Journal of Pedagogy, no. 2 (2025): 141-176.
10. Coleman, James A. „Researching Whole People and Whole Lives". In Social and Cultural Aspects of Language Learning in Study Abroad, edited by Celeste Kinginger, 17-44. Amsterdam: John Benjamins Publishing, 2013.
11. Council of the European Union. „Council Recommendation of 16 June 2022 on a European Approach to Micro-Credentials for Lifelong Learning and Employability". Official Journal of the European Union C 243 (June 27, 2022): 10-25. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=oj:JOC_2022_243_R_0002.
12. European Education Area, https://education.ec.europa.eu/.
13. Fantini, Alvino E. Intercultural Communicative Competence in Educational Exchange: A Multinational Perspective. New York: Routledge, 2019.
14. Gunn, Andrew. „The European Universities Initiative (EUI): Accomplishments and Challenges." In Future of Higher Education - Bologna Process Researchers Conference, 195-211. Cham, Switzerland: Springer Nature Switzerland, 2024
15. McGreal, Rory, and Don Olcott Jr. „A Strategic Reset: Micro-Credentials for Higher Education Leaders". Smart Learning Environments 9, no. 1 (2022): 1-23. https://doi.org/10.1186/s40561-022-00190-1.
16. Meyer, Erin. The Culture Map: Decoding How People Think, Lead, and Get Things Done across Cultures. New York: PublicAffairs, 2015.
17. Tamoliune, G., R. Greenspon, M. Tereseviciene, A. Volungeviciene, E. Trepule, and E. Dauksiene. „Exploring the Potential of Micro-Credentials: A Systematic Literature Review". Frontiers in Education 7 (2023): 1006811.
18. Transform4Europe, https://transform4europe.eu/.
19. Varadarajan, S., J. H. L. Koh, and B. K. Daniel. „A Systematic Review of the Opportunities and Challenges of Micro-Credentials for Multiple Stakeholders: Learners, Employers, Higher Education Institutions and Government". International Journal of Educational Technology in Higher Education 20, no. 1 (2023): 13.

CULTURE COMPASS FOR EUROPE: THE ROLE OF CULTURE IN SHAPING THE EU'S FUTURE[1]

Assist. Prof. Alexandra Milanova, PhD
Institute of Balkan Studies & Centre of Thracology
Bulgarian Academy of Sciences
ORCID number 0000-0002-7532-5745

Abstract:

In November 2025, the European Commission unveiled the so-called ***Culture Compass for Europe****, a strategic framework designed to place culture at the heart of EU policymaking. This framework delineates policy tools as well as 20 flagship actions aimed at upholding European values, enhancing professional capacity, strengthening economic competitiveness, and fostering global partnerships through cultural exchange. The initiative focuses on addressing the pressing challenges facing Europe today, including the implications of artificial intelligence (AI), the green transition, and the growing demand for sustainability and digital innovation within the cultural sector. Against this background, the article presents the* ***Culture Compass for Europe*** *as an analytical and strategic tool for understanding and navigating Europe's cultural diversity in the context of contemporary transformations. It maps key cultural dimensions across European societies, examines the interaction between cultural values, practices, and major structural challenges, and highlights culture as both a driver and an enabler of European integration and resilience. The article argues that a coherent cultural strategy is essential for addressing fragmentation and disinformation, fostering innovation, and ensuring an inclusive and sustainable European future.*

Keywords: culture, values, policymaking, contemporary challenges.

Introduction

Can you imagine a Europe without culture? Can you imagine our cities without vibrant cultural spaces and experiences? Can you imagine our communities without music, theatres, libraries, creative hubs, and artistic encounters?

[1] This article was prepared within the framework of the project „Cultural Diplomacy and the Balkans in the 20th and 21st Centuries: Achievements, Challenges, and the Way Forward", funded by the Bulgarian National Science Fund at the Ministry of Education and Science of the Republic of Bulgaria under Contract No. КП-06-Н80/4 of 07.12.2023.

Can you imagine streets stripped of stories, where no public art gives voice to our shared experiences, no festivals gather us, and no shared heritage reminds us of who we are? In such a Europe, connection would fade into isolation, diversity into uniform silence, and memory into forgetting.

We, comfortable Europeans, have been used to seeing culture as a pleasant addition to our lives – a niche reserved for evenings and weekends. However, in recent years we have been reminded very sharply that culture is far more than a comfortable luxury. It is a bedrock: the foundation that shapes our lives as individuals and our values as a society. The COVID-19 pandemic revealed the profound emotional cost of being deprived of regular social and cultural interaction, and its effects will be felt for decades to come. At the same time, it demonstrated that when the world of finance and capital came to a sudden halt, it was social and cultural capital that sustained communities, families, and societies across the globe.[2]

Although the pandemic has passed, Europe stands at a critical juncture, confronted by war, division, and polarization that are eroding the very fabric of its societies. Democratic norms are under strain both within the EU and in neighbouring countries. International principles, treaties, and the rule of law are being challenged or discarded. Trust is eroding, and civic space is narrowing – sometimes quietly, sometimes violently. What once seemed unimaginable has become a daily reality, with the battle lines now running through monuments, universities, media outlets, and social media channels. Cultural institutions are being closed, reshaped, or used for political purposes. Artists face censorship, intimidation, legal pressure, and even exile. They are often among the first to be targeted when democratic norms weaken, precisely because their work resists simplification and authoritarian certainty. The line between critique and intimidation is becoming increasingly thin. Social media amplify conflict while eroding context. Many cultural professionals describe a growing need to defend not only their work, but also their very right to present it.[3] As decades of peace and European cooperation are threatened, the fundamental purpose of the EU seems increasingly undermined amidst growing societal inequality and the misuse of culture and identity to divide rather than connect communities[4]. Culture as a core European value is more important today than ever in fostering European unity. What makes us European is not only the internal market or the common currency, but also a shared sense of belonging and a set of values that have been defended and reclaimed over time. The battle for Europe's future is ultimately a battle for minds,

---

[2] John Newbigin, „Culture as a Foundation of Resilience", keynote speech delivered at the EIT Culture & Creativity North Open Day, Moderna Museet, Stockholm, Sweden, June 11, 2025.

[3] Schwarz, Isabelle. „Culture is Europe's Superpower: Opening Speech". Cultural Deal for Europe Annual Policy Conversation, European Cultural Foundation, February 3, 2026.

[4] Lars Ebert, Sneška Quaedvlieg-Mihailović, and André Wilkens, „Euroviews: What We Need Is a Cultural Deal for Europe", *Euronews*, June 11, 2024. Accessed May 27, 2026. https://www.euronews.com/culture/2024/06/11/what-we-need-is-a-cultural-deal-for-europe.

beliefs, and values – echoing Antonio Gramsci's concept of cultural hegemony[5]. It is, fundamentally, a cultural struggle, as culture shapes public perceptions and social cohesion, particularly in a context marked by polarisation and migration.[6]

The Culture Compass for Europe

Despite significant progress over the past years through the European Agendas for Culture[7] and the Work Plans for Culture[8], the EU long lacked a future-oriented strategic framework to consistently integrate and elevate culture's role in policymaking. In this context, *Creative Europe* – the EU's flagship programme advancing the culture and audio-visual sectors – has played a central but primarily operational role. In 2014, it brought together three programmes (MEDIA, Culture, and MEDIA Mundus), creating a single comprehensive instrument aimed to enhance efficiency, more effectively seize the opportunities of the digital shift, and address market fragmentation[9]. Divided into two strands, Culture and MEDIA, and supported by a cross-sectoral strand, *Creative Europe* has been reinforcing projects from Norway to Tunisia, from Ukraine to the Balkan region, to foster cultural diversity, promote artistic expression, and boost the economic potential of the creative industries[10]. The programme was initially established for the period from January 1, 2014, to December 31, 2020. It was subsequently renewed for the 2021-2027 period with an expanded scope, a significantly increased budget (€ 2.44 billion, compared to €1.47 billion in the previous cycle), and an enhanced policy orientation.[11]

However, while *Creative Europe* has significantly strengthened cultural production and cooperation within the EU, it has not, on its own, provided a comprehensive strategic framework for culture as a crosscutting policy priority. This is why President Ursula von der Leyen's Political Guidelines, „Europe's Choice", emphasized the importance of Europe's cultural diversity and heritage for its future. Similarly, the European Council's Strategic Agenda[12] recognised

---

5 Antonio Gramsci, *Selections from the Prison Notebooks of Antonio Gramsci*, ed. and trans. Quentin Hoare and Geoffrey Nowell Smith (Lawrence & Wishart, 1971), 445-49. Accessed May 26, 2026. https://uberty.org/wp-content/uploads/2015/10/gramsci-prison-notebooks.pdf

6 *Cultural Deal for Europe: Annual Policy Conversation 2025. Culture: The Compass for Europe's Future. Report and Policy Messages* (Brussels: Centre for Fine Arts Brussels - Bozar, February 4, 2025), 4.

7 Communication from the Commission on A New European Agenda for Culture (COM/2018/267). Accessed May 27, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52018DC0267.

8 Council of the European Union, „Council Resolution on the EU Work Plan for Culture 2023-2026 (2022/C 466/01)", *Official Journal of the European Union*, December 7, 2022. Accessed May 27, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022G1207(01).

9 European Commission, *A New European Agenda for Culture*, COM(2018) 267 final, May 22, 2018, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52018DC0248.

10 European Commission. „Creative Europe". Accessed July 3, 2026. https://culture.ec.europa.eu/creative-europe.

11 *Ibid.*

12 Council of the European Union, „Strategic agenda 2024-2029". https://www.consilium.europa.eu/media/yxrc05pz/sn02167en24_web.pdf.

the need to promote cultural diversity and heritage, while the European Parliament[13], the Council[14], and stakeholders repeatedly stressed the importance of a dedicated EU strategic framework for culture.

In response to these calls, in November 2025, the European Commission unveiled its *Culture Compass for Europe*, designed to place culture at the heart of EU policymaking. Recognising the potential of culture to foster unity, this strategic framework is accompanied by a draft Joint Declaration to be agreed upon by the European Parliament, the Council, and the Commission[15]. The Culture Compass will also serve as a strategic anchor for culture within the 2028 - 2034 Multiannual Financial Framework (MFF).

The vision is well defined: **Europe for Culture, Culture for Europe**. On the one hand, the Culture Compass seeks to embed culture as a key dimension across all relevant strategies, policies, and their corresponding funding instruments. This recognises culture's intrinsic, social, civic, and economic value, as well as its role as a fundamental public good. Through targeted policies and investment, the Culture Compass will help cultural sectors thrive, innovate, and compete globally. While designed to be transversal, it also recognises and values the specific characteristics of individual cultural sectors. On the other hand, the Culture Compass aims to promote and elevate culture as an expression of Europe's history and shared values, while serving as a powerful catalyst for societal resilience. It states that through culture, the EU can strengthen its role as a global leader in culture and creativity, rooted in mutual understanding, with actions anchored in EU values.[16]

In line with the above vision, the Culture Compass will guide EU policies in four key directions. These include an EU that upholds and strengthens European values and cultural rights; an EU that empowers artists and cultural professionals while supporting people; an EU that draws on culture and cultural heritage to become more competitive, resilient, and cohesive; and an EU that champions international cultural relations and partnerships[17]. These directions are structured around five pillars:

- Defending freedom of expression and protecting artistic and media freedom across the EU and beyond;

---

[13] European Parliament resolution of 14 December 2022 on the implementation of the New European Agenda for Culture and the EU Strategy for International Cultural Relations (2022/2047(INI)). Accessed May 27, 2026. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=oj:JOC_2023_177_R_0010.

[14] Council of the European Union, „Strategic agenda 2024-2029".

[15] European Commission, *Draft Joint Declaration „Europe for Culture - Culture for Europe"*, COM(2025) 786 final (Brussels, November 12, 2025).

[16] European Commission, *A Culture Compass for Europe: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions*, 2025, 2-3. Accessed April 16, 2026. https://culture.ec.europa.eu/resources/document-library/a-culture-compass-for-europe.

[17] *Ibid*., 3.

- Safeguarding cultural heritage under threat, with a particular focus on Ukraine;
- Ensuring access to culture in the regions so that culture remains a common good rather than an elitist privilege;
- Addressing the impact of AI on cultural creation and intellectual property rights; and
- Improving fairness and sustainability in the working conditions of artists, cultural workers, and heritage professionals.[18]

The priorities outlined above will be underpinned by 20 flagship horizontal actions aimed at upholding European values, mobilising investment in European culture, enhancing professional capacities, strengthening economic competitiveness, and fostering global partnerships through cultural exchange. In addition, this strategic framework seeks to address contemporary challenges facing Europe, including the implications of AI, the green transition, and the growing demand for sustainability and digital innovation in the cultural sector. Three overarching policy tools will reinforce these forward-looking actions: a periodic report on the state of culture in the EU, an EU structured dialogue on culture, and an EU cultural data hub.

The recent introduction of the *Culture Compass for Europe* is commendable as a constructive reference point. It sets out an ambitious and strengthened EU policy framework for culture. It signals that the EU recognises culture as deserving a strategic approach. It acknowledges that arts, culture, and cultural heritage are pillars of democratic resilience. The Culture Compass highlights the need to monitor and defend artistic freedom and emphasises the importance of fair and favourable working conditions within the cultural sector. It also calls for a shared cultural data infrastructure.

However, it is essential to recognise that a compass only points the way; it does not move things forward. A strategy without political traction, funding, and courage remains little more than a brochure. Europe must choose: will culture remain on the margins, or become central to EU policymaking?

The answer appears evident in light of the findings of *Special Eurobarometer 562: Europeans' Attitudes towards Culture*, published in May 2025, which served as a fundamental input in the development of the *Culture Compass for Europe*. This survey was commissioned by the European Commission, Directorate-General for Education and Culture (DG EAC), and coordinated by the Directorate-General for Communication (DG COMM 'Public Opinion and Citizens Engagement' Unit). The fieldwork was conducted between February and March 2025, involving 26 319 respondents from different social and demographic groups across the EU who were interviewed in the appropriate national language. The main objective was to assess public perceptions, attitudes, and experiences regarding European cultural policy.

---

[18] *Cultural Deal for Europe: Annual Policy Conversation 2025. Culture: The Compass for Europe's Future*, 5.

According to the survey, 87% of respondents agreed that culture and cultural exchange should have a particularly important place in the EU. In addition, 86% said that cultural heritage was important for Europe. Culture, values, and history were the three main factors perceived as fostering most strongly a sense of community among EU citizens. Among the key findings of the survey was that almost half of the Europeans lived by art. More specifically, 49% of respondents reported having engaged in artistic activities, either individually or as part of a group, within the last 12 months – an increase of 12 percentage points compared to 2013. Finally, citizens desire greater EU investment in cultural matters[19].

The results of this Special Eurobarometer provide a comprehensive overview of public perceptions, attitudes, and experiences related to culture in the European Union. The findings underscore the significant role that culture plays in the lives of EU citizens and its importance for social cohesion and economic development. The survey further reveals that a vast majority of Europeans consider culture personally important. Moreover, culture remains a cornerstone of European identity, with respondents placing it alongside shared values and history among the main factors fostering a sense of community. The findings also highlight the importance of culture and cultural exchange in promoting understanding and tolerance, with strong public agreement regarding their significance[20]. Overall, this should inspire confidence, as EU citizens seek a Europe that resonates in their daily lives – in libraries, schools, public spaces, local rituals, and shared stories.

From the Culture Compass towards a Cultural Deal for Europe

There is a growing recognition that the European Union cannot function only as a political, economic, or technocratic project; it must also be a community of shared identity, belonging, and solidarity. Yet such a vision cannot be sustained without meaningful investment. Despite the widespread acknowledgment of culture as central to European democracy and integration, cultural policy continues to occupy a relatively marginal place within the EU budget. Although the cultural and creative sectors contribute over 4% to the European Union's GDP, only 0.2% of EU funding is allocated to culture[21]. Moreover, as per the estimates of the European Parliamentary Research Service, each euro invested in the creative and cultural sector on EU level, generates a return of up to 11 euro of GDP[22]. This reveals a fundamental paradox: culture is consistently

---

19 European Commission. *Special Eurobarometer 562: Europeans' Attitudes towards Culture*. Accessed April 27, 2026. https://europa.eu/eurobarometer/surveys/detail/3364.

20 European Commission. *Special Eurobarometer 562: Europeans' Attitudes towards Culture*, May 2025, ISBN 978-92-68-27163-6, 91.

21 Eurostat, *Culture Statistics: Cultural Enterprises*. Accessed May 27, 2026. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Government_expenditure_on_cultural,_broadcasting_and_publishing_services; https://ec.europa.eu/eurostat/statistics-explained/SEPDF/cache/44959.pdf.

22 Sam Vassallo, „EU Commissioner Glenn Micallef addresses Europe's biggest cultural conference ahead of budget talks", *BusinessNow.mt*. Accessed May 29, 2026. https://businessnow.mt/eu-commissioner-glenn-micallef-addresses-europes-biggest-cultural-conference-ahead-of-budget-talks/.

invoked in political rhetoric yet insufficiently reflected in political decision-making. However, symbolic recognition cannot build societal resilience, counter disinformation, or strengthen social cohesion and democratic belonging. These key objectives call for sustained investment, institutional commitment, and long-term political will.

What, then, are the specific actions required? First and in the spirit of Franklin D. Roosevelt's New Deal, translate the *Culture Compass for Europe* into a genuine *Cultural Deal for Europe*, supported by tangible political commitment and financial backing. The European Cultural Foundation, Culture Action Europe, and Europa Nostra launched this initiative in response to the devastating impact of COVID-19 on Europe's cultural and creative sectors. Over the years, it has mobilised hundreds of cultural actors and high-level EU policymakers through four Annual Policy Conversations, alongside a range of advocacy initiatives. The *Cultural Deal for Europe* currently calls on the EU to make culture a pillar of both its internal strategy and its external soft power ambitions, and to dedicate at least 2% of its future MFF (2028-2034) to culture. In this way, culture would be positioned not at the margins but at the core of the EU budget, not as an afterthought but as a priority, and not as an expense but as an investment.

Second, reinforce culture transversally across the entire EU architecture. It should be systematically integrated into national and regional partnerships, ensuring that cultural priorities are embedded at all levels of governance. In addition, it should be more strongly reflected within the European Competitiveness Fund, including through significantly increased and earmarked cultural funding in programmes such as Horizon Europe, Erasmus+, and Agora EU. Furthermore, culture should be mainstreamed across the EU's external action, thereby strengthening its role in international cooperation and external relations. Finally, stronger engagement with Member States is essential to secure long-term investment in culture and to recognise artistic freedom, fair working conditions, and cultural rights as EU priorities.

Third, raise culture's visibility at the highest political level by ensuring it features prominently in key speeches, debates, and strategic discussions as Europe prepares for a new budget cycle and institutional agenda. Culture should be treated as a strategic asset in major EU addresses – from the President of the European Commission's Annual State of the Union speech to interventions by Heads of State and Government at international fora such as Davos and Munich – and given equal weight alongside economic and security considerations.

None of these actions is merely ambitious; they are long overdue.

Conclusion

Culture is often considered as the superpower of Europe, given its capacity to foster social cohesion, strengthen trust, and cultivate a shared sense of belonging. At the same time, culture is not the answer for solving everything,

everywhere, all at once[23]. Nevertheless, none of Europe's major issues can be adequately addressed without considering their cultural dimensions. Populism and other threats to democratic governance, climate change, digital transformation, rising social, demographic, and regional inequalities, as well as the war in Ukraine, all possess profound cultural dimensions.

As Europe enters a decisive phase in shaping its long-term budget and strategic direction, culture should be placed at the heart of the European project rather than treated as a peripheral policy area. This strategic vision was recently articulated in the joint declaration *Europe for Culture, Culture for Europe*, signed on June 18, 2026, by the President of the Republic of Cyprus, representing the rotating Presidency of the Council of the European Union, together with the Presidents of the European Parliament and the European Commission. Thus, the three institutions reaffirmed the EU's role in protecting cultural and linguistic diversity and integrating cultural considerations across all EU policies, while respecting national competencies. Furthermore, they pledge to „support the cultural and creative sectors by encouraging funding, innovation and capacity building, as well as by promoting Europe's role as a global cultural and creative leader."[24]

This institutional engagement is particularly important given the growing geopolitical competition over cultural discourses. If the EU fails to embrace culture as a strategic priority, other actors may increasingly shape societal narratives and identities in ways that could undermine the European project. In this sense, inaction carries significant risks. Although the current geopolitical context is not particularly conducive to long-term and forward-looking initiatives, the role of artists and cultural professionals remains essential, precisely because contemporary global challenges cannot be addressed through political decision-making alone. Through culture and the arts, and with the artists, Europe must tell an appealing story, a strong and collective story that will influence the generations to come.

References

1. Council of the European Union. „Council Resolution on the EU Work Plan for Culture 2023-2026 (2022/C 466/01)". *Official Journal of the European Union*, December 7, 2022. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022G1207(01).
2. Council of the European Union. „Europe for Culture, Culture for Europe: European Institutions Commit to Placing Culture at the Heart of EU Policy". Press release, June 18, 2026. https://www.consilium.europa.eu/en/press/press-releases/2026/06/18/europe-for-culture-culture-for-europe-european-institutions-commit-to-placing-culture-at-the-heart-of-eu-policy/.

[23] Schwarz, Isabelle. „Everything Everywhere All at Once: Culture for the Future". The Parliament Magazine. October 5, 2023. Accessed April 28, 2026. https://www.theparliamentmagazine.eu/partner/article/everything-everywhere-all-at-once-culture-for-the-future.

[24] Council of the European Union. „Europe for Culture, Culture for Europe: European Institutions Commit to Placing Culture at the Heart of EU Policy". Press release, June 18, 2026. Accessed July 3, 2026. https://www.consilium.europa.eu/en/press/press-releases/2026/06/18/europe-for-culture-culture-for-europe-european-institutions-commit-to-placing-culture-at-the-heart-of-eu-policy/.

3. Council of the European Union. „Strategic Agenda 2024-2029“. https://www.consilium.europa.eu/media/yxrc05pz/sn02167en24_web.pdf.
4. *Cultural Deal for Europe: Annual Policy Conversation 2025. Culture: The Compass for Europe's Future. Report and Policy Messages* (Brussels: Centre for Fine Arts Brussels - Bozar, February 4, 2025).
5. Ebert, Lars, Sneška Quaedvlieg-Mihailović, and André Wilkens. „Euroviews: What We Need Is a Cultural Deal for Europe“. *Euronews*, June 11, 2024. https://www.euronews.com/culture/2024/06/11/what-we-need-is-a-cultural-deal-for-europe.
6. European Commission. *A Culture Compass for Europe: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions*. 2025. https://culture.ec.europa.eu/resources/document-library/a-culture-compass-for-europe.
7. European Commission. *A New European Agenda for Culture*. COM(2018) 267 final. May 22, 2018. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52018DC0248.
8. European Commission. „Creative Europe“. https://culture.ec.europa.eu/creative-europe.
9. European Commission, *Draft Joint Declaration „Europe for Culture - Culture for Europe“*, COM(2025) 786 final (Brussels, November 12, 2025).
10. European Commission. *Special Eurobarometer 562: Europeans' Attitudes towards Culture*. May 2025. ISBN 978-92-68-27163-6.
11. European Commission. *Special Eurobarometer 562: Europeans' Attitudes towards Culture*. https://europa.eu/eurobarometer/surveys/detail/3364.
12. European Parliament. „European Parliament Resolution of 14 December 2022 on the Implementation of the New European Agenda for Culture and the EU Strategy for International Cultural Relations (2022/2047(INI))“. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=oj:JOC_2023_177_R_0010.
13. Eurostat. „Culture Statistics: Cultural Enterprises“. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Government_expenditure_on_cultural,_broadcasting_and_publishing_services;
14. Eurostat. „Culture Statistics: Cultural Enterprises - Explained“. https://ec.europa.eu/eurostat/statistics-explained/SEPDF/cache/44959.pdf.
15. Gramsci, Antonio. *Selections from the Prison Notebooks of Antonio Gramsci*, ed. and trans. Quentin Hoare and Geoffrey Nowell Smith. Lawrence & Wishart, 1971. https://uberty.org/wp-content/uploads/2015/10/gramsci-prison-notebooks.pdf
16. Newbigin, John. „Culture as a Foundation of Resilience“. Keynote speech delivered at the EIT Culture & Creativity North Open Day, Moderna Museet, Stockholm, Sweden, June 11, 2025.
17. Sam Vassallo, „EU Commissioner Glenn Micallef addresses Europe's biggest cultural conference ahead of budget talks“, *BusinessNow.mt*. https://businessnow.mt/eu-commissioner-glenn-micallef-addresses-europes-biggest-cultural-conference-ahead-of-budget-talks/.
18. Schwarz, Isabelle. „Culture Is Europe's Superpower: Opening Speech“. Cultural Deal for Europe Annual Policy Conversation, European Cultural Foundation, February 3, 2026.
19. Schwarz, Isabelle. „Everything Everywhere All at Once: Culture for the Future“. *The Parliament Magazine*, October 5, 2023. https://www.theparliamentmagazine.eu/partner/article/everything-everywhere-all-at-once-culture-for-the-future.

6. PANEL

EU ENLARGMENT AND NEIGHBOURHOOD POLICIES –

EU Conditionality and the Transformation of Candidate States

EU ENLARGEMENT BETWEEN LAW AND CONDITIONALITY: LEGAL FRAMEWORK FOR THE EU ENLARGEMENT POLICY

Asst. Prof. Janja Simentić Popović, PhD
University of Belgrade - Faculty of Political Science[1]

Abstract:

The research reconstructs the legal framework of EU enlargement and determines whether a legal relationship exists between the European Union and candidate countries. Using EU law as the referential analytical framework, the paper analyses both hard law and soft law instruments governing enlargement, including Article 49 TEU, European Council conclusions, Negotiation Frameworks and secondary legislation regulating financial arrangements. The research demonstrates that EU Enlargement Law operates as a graduated normative order composed of interconnected hard and soft law rules. Furthermore, the paper argues that candidate countries gradually acquire elements of legal subjectivity through the accession process and can therefore be understood as para-subjects of EU law. The paper concludes that the increasing legal structuring of enlargement represents a natural stage in the evolution of EU enlargement policy, contributing to greater normative predictability, institutional commitment and a more balanced relationship between the Union and candidate countries.

Keywords: EU enlargement; EU law; soft law; candidate countries; Western Balkans

Introduction: Is there a legal framework for the EU enlargement policy?

The European Union (EU) enlargement process is frequently analysed in the discipline of political science, with scholars focusing on conditionality as a

[1] This research is financially supported by the Ministry of science, technological development and innovation of the Republic of Serbia based on the Agreement on realization and financing of scientific and research work of SRO in 2025, no: 451-03-34/2026-03 concluded on 29.01.2026.

mechanism of incentive-based compliance.[2] The legal architecture underpinning enlargement has received comparatively less attention, leaving the understanding of the EU enlargement in the realm of the political. This research aims to put into limelight the legal aspect of EU enlargement through analysis of the legal framework of the EU enlargement policy. The aim of this research is to unlock the view of EU Enlargement as a normatively framed policy and to unlock the view of candidate countries as para-subjects of EU law. The research will answer two research questions: What is the substance of the *legal framework* of the EU enlargement and is there a *legal relation* between the EU and candidate country?

In order to answer the research questions the study will analyse EU Enlargement Law using the EU Law as the referential framework. It is undisputed that EU Enlargement Law is normatively structured, however it has two limitations that this research strives to overcome. The first limitation is the character of legal rules. EU Enlargement law contains hardly any hard law rules – only Article 49 of the Treaty on EU deals with the accession of new member states. The normative framework is complemented by various acts of EU institutions, yet they are usually understood as part and parcel of political conditionality and not a legal framework. This research will strive to explain that acts adopted by the EU institutions in the process of enlargement have the force of either legally binding hard law or practically influential soft law.

The second limitation of EU Enlargement Law is its domain of application. EU Enlargement necessarily entails the establishment of relation between the EU and a third country, which in the process of accession gains the status of a candidate country. This relation is usually understood as a political one – both EU and candidate country express political will to enter into mutual relation that should bring about enough of the legislative, economic, and political transformation of the candidate country which would enable its membership in the EU. EU Enlargement Law, as part of the EU Law, is not applicable to this relation. However, it is not possible to neglect the specific relation between the EU and candidate country, one that goes beyond a candidate country being the mere object or receiver of the EU law. This research will strive to illuminate the legal aspect of the relationship between the EU and candidate country in the enlargement process.

The paper proceeds as follows: the following part presents the conceptual framework of the research, explaining the difference between the hard law and

---

[2] „...conditionality is a bargaining strategy of reinforcement by reward, under which the EU provides external incentives for a target government to comply with its conditions". Frank Schimmelfennig, Ulrich, Sedelmeier, „Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe," *Journal of European Public Policy* 11, no. 4 (2004): 670. On conditionality in Western Balkans see also: Spasimir Domaradzki, Ivana Radić Milosavljević, „Between Populism and Technocracy: How National Executives in Bulgaria and Serbia Manipulate EU Rule of Law Conditionality," *Journal of Contemporary European Research* 17, no. 2, (2021): 281-303; Florian Bieber (ed), *EU Conditionality in the Western Balkans* (Routledge, 2013); Jelena Džankić, Soeren Keil, Marko Kmezić (eds), *The Europeanisation of the Western Balkans: A Failure of EU Conditionality?* (Palgrave Macmillan, 2019).

the soft law and the concept of legal subjectivity in the EU. The third part reconstructs the substance of EU Enlargement Law structuring it as the graduated normative order. Fourth part deals with the legal relation between EU and candidate country, using the example of the Republic of Serbia, and devises the concept of para-subject in the EU Law. Fifth part contains conclusions.

Conceptual Framework of the Research

The analytical framework for the analysis of the legal character of EU Enlargement Law rules is the hard law-soft law divide. This conceptualisation is present in political science,[3] in international law[4] and in EU law.[5] In the EU Law hard law are rules contained in the recognized sources of EU law: founding treaties (Treaty on EU (TEU), Treaty on the Functioning of the EU (TFEU) and Charter of Fundamental Rights of the EU), secondary legislation (Article 288 TFEU enlists regulation, directives and decisions as legally binding instruments) and general principles of EU law. Rules of hard law have autonomous normative status in the EU law that is derived from the sources in which they are contained.

On the other hand, soft law is a fluid concept. This research will use the conceptualization and typology presented by Senden according to whom soft law contains: „[r]ules of conduct that are laid down in instruments which have not been attributed legally binding force as such, but nevertheless may have certain (indirect) legal effects, and that are aimed at and may produce practical effects."[6] For a soft law instrument to function as a genuine alternative to legislation, it must meet specific prerequisites that go beyond the basic definition of soft law. According to Senden, these requisites involve the instrument's nature (being general and external) and its instrumental function.[7]

---

[3] Gregory C. Shaffer, Mark A. Pollack, „Hard vs. Soft Law: Alternatives, Complements, and Antagonists in International Governance", *Minnesota Law Review* 94 (2010): 706-99, 2010; Kenneth W. Abbott, Duncan Snidal, „Hard and Soft Law in International Governance", *International Organization* 54, no. 3 (2000): 421-56.

[4] Ellen Hey, *Making Sense of Soft Law*, The Hague Academy Collected Courses Online/Recueil des cours de l'Académie de La Haye en ligne (Brill, Nijhoff, 2024); Hartmut Hillgenberg, „A Fresh Look at Soft Law", *European Journal of International Law* 10, no. 3 (1999): 499-516; Michael Bothe, „Legal and Non-Legal Norms - a meaningful distinction in international relations?", *Netherlands Yearbook of International Law*, 11 (1980): 65-95; Baxter, R. R.,"International Law in Her Infinite Variety", *International and Comparative Law Quarterly* 29, no. 4 (1980): 549-566.

[5] Ilaria Ronconi, Salvatore F. Nicolosi, „The Informal Turn: Soft Law Regulatory Frameworks in European Union External Relations", *European Foreign Affairs Review* 31, no.1 (2026): 123-42; Petra Lea Láncos, „A Hard Core Under the Soft Shell: How Binding Is Union Soft Law for Member States?." *European Public Law* 24, no. 4 (2018): 755-84; Fabien Terpan, „Soft Law in the European Union - The Changing Nature of EU Law", *European Law Journal* 21, no. 1 (2015): 68-96; David M. Trubek, Patrick Cottrell, Mark Nance, „'Soft Law', 'Hard Law' and EU Integration", in *Law and New Governance in the EU and the US*, ed. Gráinne de Búrca and Joanne Scott (Hart Publishing, 2006) 65-94.; Linda Senden, *Soft Law in European Community Law* (Hart Publishing, 2004).

[6] Linda Senden, *Soft Law in European Community Law* (Hart Publishing, 2004), 112.

[7] Senden, *Soft Law in European Community Law*, 117-8.

Rules of soft law do not have autonomous normative status in the EU Law, but their importance in the EU Enlargement Law is notable, as they are influential (they structure the normative environment, affect behaviour of actors involved in the enlargement constrain institutional discretion in the process) and perforative (they transcend from the realm of soft law to hard law), veiling the soft law with derivative normativity.

The analytical framework for the analysis of the legal relation between the EU and candidate country is the notion of legal subjectivity in the EU Law. Subjects of a legal system are bearers of rights and obligations stemming from that legal system. In the EU law these are EU institutions, Member States, and individuals.[8] Candidate countries in the accession process have the status of third states to which EU Enlargement Law does not apply. Candidate country status does not create rights and obligations: „There is no right to become a candidate; and being a candidate does not grant a right to become a Member State."[9] However, candidate countries are in a special relation with the EU in comparison to other third countries.[10] The specific traits of their relation can be analysed from the perspective of revised subjectivity in the EU Law, which will be done in chapter four of the article.

EU Enlargement Law as a graduated normative order

Generally speaking, the EU Enlargement Law framework operates through rudimentary normative regulation. It is because the decision on membership of new countries in the EU remains a prerogative of current Member States (MS). Hard legalisation in the enlargement policy would incur sovereignty costs – Member States would lose authority over decision-making in the area of admitting new EU members.[11] EU Enlargement policy remains in de Waele's inner layer of EU External Relations where individual capacities of MS are

---

[8] This was established as early as beginning of 1960ies in the European Court of Justice judgement van Gend & Loos: „...Community law not only imposes obligations on individuals but is also intended to confer upon them rights which become part of their legal heritage. These rights arise not only where they are expressly granted by the Treaty but also by reason of obligations which the Treaty imposes in a clearly defined way upon individuals as well as upon the Member States and upon the institutions of the Community." *NV Algemene Transport- en Expeditie Onderneming van Gend & Loos v. Nederlandse Administratie der Belastingen* (Case 26/62), 1963 E.C.R. 1, para. 3. Emphasis added.

[9] Christoph Schewe, Arnis Buka, Edmunds Broks, „Examining Ukraine's EU Candidate Status: (When) Does the Accession Process Turn from Political to Legal?" *Law: Journal of the University of Latvia Latvijas Universitates Zurnals. Juridiska Zinatne* 17 (2024): 102.

[10] Lavenex devises three groups of states in the outer circle of European integration based on the dimensions and scope of the external governance. Sandra Lavenex, „Concentric circles of flexible 'EUropean" integration: A typology of EU external governance relations", *Comparative European politics* 9, no 4-5, (2011): 372-393.

[11] Abbott, Snidal, „Hard and Soft Law in International Governance", 436.

retained, even though they „do operate as a collective within EU structures where the Treaties so dictate."[12]

Therefore, it is clear that it is easier to grasp enlargement policy framework than the enlargement legal framework.[13] In substantial terms EU Enlargement Law comprises membership criteria, guiding principles of enlargement, procedural matters, and financial arrangements. Each of the issues is guided by rules that stem from different legal sources (founding treaties as primary source and acts of EU institutions as secondary source), both hard and soft law, as defined previously.

Starting from the primary source, the only provision of the founding treaties that directly governs the question of enlargement is Article 49 of the Treaty on European Union.[14] Primary EU law deals with membership criteria and only to a certain extent with the procedural matters. However, the gist of enlargement guiding principles and procedural matters is not regulated by the EU primary law.

The guiding principles of enlargement are „a list of positions to which every applicant country has to unreservedly agree before joining the European Union."[15] Those principles are that: the applicant state must accept the Treaties and the

---

[12] Henri de Waele, *Legal Dynamics of EU External Relations, Dissecting a Layered Global Player* (Springer, 2023), 3. In general, in the area of EU Enlargement policy „...the Member States are, to a large extent, free to act in an autonomous capacity: while the EU does have some role to play here qualitate qua, this does not forestall the exercise of their sovereign prerogatives." Ibid, 155.

[13] Enlargement policy framework contains „the revised enlargement methodology, agreements that establish a legally binding relationship with the beneficiaries, the negotiating frameworks governing accession negotiations with candidates, where applicable, as well as resolutions of the European Parliament, relevant communications from the Commission, including, where applicable, on the rule of law, and joint communications from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy". Article 2 (1) (2) Regulation (EU) 2024/1449 of the European Parliament and of the Council of 14 May 2024 on establishing the Reform and Growth Facility for the Western Balkans.

[14] „Any European State which respects the values referred to in Article 2 and is committed to promoting them may apply to become a member of the Union. The European Parliament and national Parliaments shall be notified of this application. The applicant State shall address its application to the Council, which shall act unanimously after consulting the Commission and after receiving the consent of the European Parliament, which shall act by a majority of its component members. The conditions of eligibility agreed upon by the European Council shall be taken into account.

The conditions of admission and the adjustments to the Treaties on which the Union is founded, which such admission entails, shall be the subject of an agreement between the Member States and the applicant State. This agreement shall be submitted for ratification by all the contracting States in accordance with their respective constitutional requirements." For the details about the development of primary law in the field see: Dimitry Kochenov, *EU Enlargement and the Failure of Conditionality: Pre-accession Conditionality in the Fields of Democracy and the Rule of Law* (Kluwer Law International, 2008), 16-21; Narin Idriz, *Legal Constraints on EU Member States in Drafting Accession Agreements, The Case of Turkey* (Springer, 2022) 126-130.

[15] Kochenov, *EU Enlargement and the Failure of Conditionality,* 38.

political community already achieved (there will be no renegotiation of the Treaties or the Union's objectives), and the applicant state must accept all decisions taken within the Community and support its further development. These principles are implemented in practice through the overarching principle of alignment of candidate states' domestic legislation with existing Union law (*acquis communautaire*). These principles are not contained in Article 49 TEU, but their legal basis is connected to the previous version of that article. The EU conditionality, established by the Presidency Conclusions of the European Council, is used to measure the achievement of the principles of enlargement in practice.[16] It is further shaped by the process of negotiation on accession between the EU and the candidate country in which for each candidate country the key guiding principles of enlargement are encapsulated in the Negotiation Framework, which is adopted by the Council on a proposal from the Commission.[17]

The legal nature of the Negotiation Framework and the European Council Conclusions that contain principles of enlargement is an open issue. These instruments are adopted as the Council and European Council conclusions. In EU acts nomenclature they are considered as legally non-binding instruments expressing political commitments.[18] Therefore they remain outside the pull of the EU Enlargement hard law. However, Negotiation Framework and the European Council Conclusions meet the soft law prerequisites of generality and external nature – they contain principled requirement for the states aspiring to become members of the Union and they are directed to institutions involved in the accession process and candidate states. They also bear functionality similar to legislation – they establish the normative conditions (political and economic) that must be satisfied before the legal act (accession treaty) can even be considered.

These documents function as non-formal steering instruments that aim at giving further effect to EU objectives and EU Enlargement policy, with a view to establishing closer cooperation between Member States in a nonbinding way.[19] They represent the Union's political position on the Enlargement and indicate the Union's intended future conduct. While non-binding, they steer the behaviour

---

[16] Copenhagen European Council of 21/22 June 1993, accessed May 26, 2026, https://www.consilium.europa.eu/media/21225/72921.pdf. For more on Copenhagen criteria see: Christophe Hillion, „The Copenhagen Criteria and their Progeny", in ed. Christophe Hillion, *EU Enlargement: A Legal Approach* (London: Hart Publishing, 2004), 1-22; Madrid European Council of 15/16 December 1995, accessed May 26, 2026, https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/00400-c.en5.htm.

[17] Brussels European Council of 16/17 December 2004, 16238/1/04, REV 1, CONCL 4, point 23, accessed on May 26, 2026, https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/83201.pdf. Susanna Fortunato, „Article 49 [Accession to the Union]", in ed. Hermann-Josef Blanke, Stelio Mangiameli, *The Treaty on European Union (TEU), A Commentary* (Springer Berlin Heidelberg, 2013), 1371.

[18] „Conclusions and resolutions of the Council", European Council, Council of the European Union, accessed May 26, 2026, https://www.consilium.europa.eu/en/council-eu/conclusions-resolutions/#:~:text=The%20Council%20of%20the%20EU%20negotiates%20and%20adopts%20not%20only,they%20are%20not%20legally%20binding.

[19] Senden, *Soft Law in European Community Law*, 119.

of EU institutions and Member States – they direct and constrain their actions as they curtail the discretion of action and decision-making. In that sense, an indirect legal effect of these decisions might be established through the application of the principles of legal certainty, legitimate expectations, or estoppel.[20] Vianello claims that the administrative activities of the EU institutions in the field of Enlargement are „capable of influencing the policy choices of third countries and they incur the risk of raising expectations about the Union's future conduct."[21]

These documents perform all three types of Senden's soft law function: pre-law, post-law, and para-law function. These documents have pre-law function because while they do not create the final legislation (the Accession Treaty) they establish the normative conditions (legal, political, economic) that must be satisfied before that legal act can even be considered. They also perform post-law function in relation to Article 49 TEU – they supplement it and therefore facilitate its coherent interpretation and application across different enlargement waves. Their function is para-law to the extent that they reflect the sovereignty cost for the Member States that want to retain ownership of the final decision on accession of a new Member State.[22]

These soft law documents are influential as they affect the behaviour of all actors included in the Enlargement, which is a circle larger than the subjects of EU law: by providing certain common denominators for assessment of the behaviour of candidate states they confine the leeway of MS's political will; EU institutions refer to them in assessing the capacity of candidate country's institutions; even for candidate countries they are directions that steer their behaviour in order to provide practical results in the accession process. These soft law documents are perforative: they are entrenched between hard law instruments. Their normative force is derivative from Article 49 TEU[23] and they are precursor to binding secondary legislation on financial arrangements.[24]

---

[20] Schewe et al, „Examining Ukraine's EU Candidate Status," 102; Koen Lenaerts, Piet Van Nuffel, Tim Corthaut, „Acts Adopted by the Institutions and Bodies of the Union," in: *EU Constitutional Law* (Oxford University Press, 2021), 743.

[21] Ilaria Vianello, „From objects to subjects: paving the way for third countries and their natural and legal persons" in ed. Samo Bardutzky, Elaine Fahey, *Framing the Subjects and Objects of Contemporary EU Law* (Edward Elgar, 2017),

[22] Senden, *Soft Law in European Community Law*, 119-20.

[23] Soft law rules are indirectly linked to EU primary law and Article 49 TEU which states that in the process of accession „the conditions of eligibility agreed upon by the European Council shall be taken into account." This last amendment to Article 49 TEU was made in such a way as to expressly create legal relevance, or „legislative dignity" for the (political) criteria laid down by the European Council. Susanna Fortunato, „Article 49 [Accession to the Union]" in Hermann-Josef Blanke, Stelio Mangiameli (eds.), *The Treaty on European Union (TEU), A Commentary* (Springer, 2013) 1359.

[24] The enlargement process is supported by the financial arrangements. Most notable examples in case of Western Balkans are Instrument for Pre-Accession Assistance (IPA III) and Reform and Growth Facility for the Western Balkans (RGFWB). These complementary financial mechanisms are adopted as the legally binding secondary legislation - regulation adopted by the European Parliament and Council. They are binding on the subjects of EU law.

Taking the Article 5 of the Regulation on Reform and Growth Facility for the Western Balkans (RGFWB) as the example, it reflects the Copenhagen criteria[25] and in the case of Serbia and Kosovo further strengthen it. Article 5 (b) therefore reflects the content of the amended negotiation Chapter 35 obligation for Serbia – this is the example of how a rule of conduct from the soft law instrument transcends to the hard law instrument, becoming a rule that is legally binding for the subjects of EU law.[26]

Based on the analysis, EU Enlargement Law can thus be depicted as the graduated normative order, containing both hard and soft law rules. Hard law encompasses rules of EU primary law on membership criteria and EU secondary law on financial arrangements; soft law encompasses Negotiation Framework and the relevant European Council Conclusions. While this order is normatively structured its direct legal effects are limited to subjects of EU law. As candidate countries are not subjects of EU law, the question is are there any legal relation established between the EU and candidate country.

Legal relation between EU and candidate countries: Becoming para-subjects of EU Law

EU Enlargement in Western Balkans is divided in two stages: pre-accession process and accession process. While both phases steer the (potential) candidate country to become an EU Member State, they are guided by different integrationist logic.

The legal and political regime established between the EU and the potential candidate country of the Western Balkans region in the pre-accession phase is regulated through the Stabilisation and Association Process (SAP),[27] under which Stabilisation and Association Agreements (SAA) are formulated for each candidate country. SAA is a mixed international agreement – the Union and the Member States act as one contracting party, while the candidate country, acts as the other party. This agreement therefore has a dual nature: from the point of view of EU law it is a mixed agreement, from the point of view of international law it is an international treaty. Despite certain peculiarities, to the extent the

---

[25] „Preconditions for the support under the Facility shall be that: (a) the beneficiaries uphold and respect effective democratic mechanisms, including a multi-party parliamentary system, free and fair elections, pluralistic media, an independent judiciary and the rule of law, and guarantee respect for all human rights obligations, including the rights of persons belonging to minorities."

[26] Article 5 (b) reads as follows: (b) as regards Serbia and Kosovo, they engage constructively with measurable progress and tangible results in the normalisation of their relations with a view to fully implementing all of their respective obligations stemming from the Agreement on the Path to Normalisation and its Implementation Annex as well as all past Dialogue Agreements and engage in negotiations on the Comprehensive Agreement on normalisation of relation."

[27] Commission of the European Communities, Communication from the Commission to the Council and the European Parliament on the Stabilisation and Association process for Countries of South-Eastern Europe, COM (1999) 235 final.

SAA is considered an international treaty, there is an established legal relation *under international law* between the EU, as international organisation, and Member States and candidate country as states subject of international law. However, this legal relationship does not make a candidate country subject of EU Law.

Even though candidate country is not a subject of EU Law – it would become one only upon the accession – the accession process has very tangible obligations for candidate country. Through fulfilling these obligations candidate country is (slowly) transcending into member state. Most notably, without this transitional and transformative period candidate country could not have become Member State, having in mind the all-encompassing nature of legislative, economic, and political harmonization that needs to take place. Therefore, it is instructive that some sort of candidate country's legal status under EU law is established even before the formal accession to the EU.

It is conceivable to think about the candidate countries as para-subjects of EU Law, as they have some rudimentary corpus of rights and obligations stemming from EU Law.[28] It is true that there is no legal right to become candidate state or a Member State, but some rights do flow from the candidate country status. Taking Serbia as an example, it possesses participation rights in certain integration initiatives (Energy Community and Transport Community) and programmes (e.g. Horizon Europe, Erasmus+, Creative Europe, Digital Europe);[29] observer status in European Union Agency for Fundamental Rights (FRA) and European Migration Network (EMN); has a legally structured dialogue through SAA; receives pre-accession funding with corresponding accountability obligations (IPA III). In terms of obligations Serbia has the EU acquis alignment obligation and it is subject to monitoring in implementing these obligations under different regimes (most notable is the Commission's Annual Report).

This ramified network of relations between EU and Serbia as a candidate country attests to the possibility to perceive it as a para-subject. This category is not dependent on establishing the candidate country as the bearer of full rights and obligations under EU Law. It is rather conceived as a relational category that is dynamic, conditional, and evolving. Under this approach candidate countries gradually „acquire" elements of subjectivity through accession process, which is in line with the guiding idea behind the (cumbersome and long-lasting) enlargement process.

---

[28] This argument is especially viable in case of Turkey. See: Narin Idriz, *Legal Constraints on EU Member States in Drafting Accession Agreements, The Case of Turkey* (Springer, 2022).

[29] List of all the programmes in which Serbia participates is available on the webpage of Serbia's Ministry of European Integration (accessed May 26th 2026): https://www.mei.gov.rs/eng/funds/isdacon/eu-funds/union-programmes/. For the analysis of participation in these initiatives and programs as part of the fractional rewards in EIM theory see: Ivana Radić Milosavljević, Janja Simentić Popović, „Rule of Law in Serbia and its EU Integration Path" in: Alejandro Torres Gutiérrez (ed.*), Current Challenges for the Rule of Law in Europe* (Dykinson, 2025): 306-9.

Conclusion

This article demonstrates that the EU enlargement process need not be analysed solely through the lens of political conditionality. The research has shown that the process is also embedded within a distinct normative structure that possesses identifiable legal features. The paper answered the first research question by demonstrating that there is a legal framework for the EU enlargement policy, even if that framework does not correspond to the classical understanding of a fully codified and judicially enforceable legal regime. Rather, EU Enlargement Law emerges as a graduated normative order composed of intertwined hard and soft law instruments that together structure the accession process.

The research has shown that the legal framework of enlargement consists of several interconnected layers. At the level of primary law, Article 49 TEU provides the constitutional basis for accession and establishes the relevance of the eligibility conditions agreed by the European Council. Secondary legislation, particularly financial instruments such as the Reform and Growth Facility for the Western Balkans, further legalises elements of conditionality by transforming previously political requirements into binding legal norms addressed to subjects of EU law. Alongside these hard law instruments operates a body of soft law, most notably European Council conclusions and Negotiation Framework, which, despite their formally non-binding character, exercise significant normative influence. These instruments steer institutional behaviour, structure expectations, constrain discretion and establish operational standards for accession negotiations. Their normative force is therefore derivative, yet practically consequential.

The paper also answered the second research question by demonstrating that the relationship between the EU and candidate countries should not be reduced to a merely political relationship. Although candidate countries are not subjects of EU law in the formal sense, the accession process establishes a specific and increasingly dense legal relationship between the Union and the candidate state. Through Stabilisation and Association Agreements, participation in Union programmes and agencies, financial arrangements, monitoring mechanisms and acquis alignment obligations, candidate countries gradually acquire a corpus of rights and obligations stemming from the EU legal order. In that regard, the concept of para-subjectivity proposed in this paper serves as an analytical tool for understanding the evolving legal position of candidate countries in the enlargement process. Candidate states do not become subjects of EU law instantaneously upon accession; rather, they progressively acquire elements of legal subjectivity throughout the accession trajectory.

Finally, this conceptual transformation in the analysis of EU Enlargement can be understood as a natural stage in the historical development of the EU enlargement itself. Enlargement evolved from a predominantly practice-based process, shaped through institutional experience and political bargaining, into a more articulated policy framework structured around conditionality and

benchmarks. The legally framed conceptualization reflects a further step in that evolution with practical implications. It signals a stronger commitment of all actors involved in the accession process and contributes to a more stable and predictable normative environment. At the same time, it introduces a certain degree of parity between the EU and candidate countries, even though complete equality can never be achieved in a process whose ultimate purpose is accession to an already constituted international organisation. Nevertheless, recognising candidate countries as actors situated within an evolving legal relationship with the Union allows for a more nuanced understanding of enlargement – one that captures both its political nature and its increasingly visible legal dimension.

References

1. Abbott, Kenneth W., and Duncan Snidal. „Hard and Soft Law in International Governance". *International Organization* 54, no. 3 (2000): 421-56.
2. Bieber, Florian, ed. *EU Conditionality in the Western Balkans*. Routledge, 2013.
3. Commission of the European Communities. *Communication from the Commission to the Council and the European Parliament on the Stabilisation and Association Process for Countries of South-Eastern Europe*. COM (1999) 235 final.
4. Council of the European Union. „Conclusions and Resolutions of the Council."
5. Council of the European Union. *Accession Document, General EU Position, Ministerial Meeting Opening the Intergovernmental Conference on the Accession of Serbia to the European Union*. Brussels, 21 January 2014.
6. Council of the European Union. *Brussels European Council of 16/17 December 2004, 16238/1/04, REV 1, CONCL 4*.
7. Council of the European Union. *Copenhagen European Council of 21/22 June 1993*.
8. Council of the European Union. *Madrid European Council of 15/16 December 1995*.
9. Court of Justice of the European Union. *NV Algemene Transport- en Expeditie Onderneming van Gend & Loos v. Nederlandse Administratie der Belastingen (Case 26/62)*. 1963 E.C.R. 1.
10. de Waele, Henri. *Legal Dynamics of EU External Relations, Dissecting a Layered Global Player*. Springer, 2023.
11. Domaradzki, Spasimir, and Ivana Radić Milosavljević. „Between Populism and Technocracy: How National Executives in Bulgaria and Serbia Manipulate EU Rule of Law Conditionality." *Journal of Contemporary European Research* 17, no. 2 (2021): 281-303.
12. Dźankić, Jelena, Soeren Keil, and Marko Kmezić, eds. *The Europeanisation of the Western Balkans: A Failure of EU Conditionality?* Palgrave Macmillan, 2019.
13. European Communities. *Treaty Establishing the European Economic Community (Treaty of Rome)*. 1958.
14. European Parliament and Council of the European Union. *Regulation (EU) 2024/1449 of the European Parliament and of the Council of 14 May 2024 on Establishing the Reform and Growth Facility for the Western Balkans*.
15. European Union. *Treaty on European Union (Consolidated Version)*. OJ C 202, 7 June 2016.

16. European Union. *Treaty on the Functioning of the European Union (Consolidated Version)*. OJ C 202, 7 June 2016.

17. Fortunato, Susanna. „Article 49 [Accession to the Union].“ In *The Treaty on European Union (TEU), A Commentary*, edited by Hermann-Josef Blanke and Stelio Mangiameli, 1359-71. Springer Berlin Heidelberg, 2013.

18. Hey, Ellen. *Making Sense of Soft Law*. The Hague Academy Collected Courses Online/Recueil des cours de l'Académie de La Haye en ligne. Brill Nijhoff, 2024.

19. Hillion, Christophe. „The Copenhagen Criteria and their Progeny“. In *EU Enlargement: A Legal Approach*, edited by Christophe Hillion, 1-22. Hart Publishing, 2004.

20. Idriz, Narin. *Legal Constraints on EU Member States in Drafting Accession Agreements, The Case of Turkey*. Springer, 2022.

21. Lavenex, Sandra. „Concentric Circles of Flexible 'EUropean' Integration: A Typology of EU External Governance Relations“. *Comparative European Politics* 9, no. 4-5 (2011): 372-93.

22. Lenaerts, Koen, Piet Van Nuffel, and Tim Corthaut. „Acts Adopted by the Institutions and Bodies of the Union“. In *EU Constitutional Law*, 743. Oxford University Press, 2021.

23. Radić Milosavljević, Ivana, and Janja Simentić Popović. „Rule of Law in Serbia and its EU Integration Path“. In *Current Challenges for the Rule of Law in Europe*, edited by Alejandro Torres Gutiérrez, 306-9. Dykinson, 2025.

24. Ronconi, Ilaria, and Salvatore F. Nicolosi. „The Informal Turn: Soft Law Regulatory Frameworks in European Union External Relations“. *European Foreign Affairs Review* 31, no. 1 (2026): 123-42.

25. Schewe, Christoph, Arnis Buka, and Edmunds Broks. „Examining Ukraine's EU Candidate Status: (When) Does the Accession Process Turn from Political to Legal?“ *Law: Journal of the University of Latvia Latvijas Universitates Zurnals. Juridiska Zinatne* 17 (2024): 102.

26. Schimmelfennig, Frank, and Ulrich Sedelmeier. „Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe“. *Journal of European Public Policy* 11, no. 4 (2004): 661-79.

27. Senden, Linda. *Soft Law in European Community Law*. Hart Publishing, 2004.

28. Serbia Ministry of European Integration. „Union Programmes.“

29. Terpan, Fabien. „Soft Law in the European Union - The Changing Nature of EU Law“. *European Law Journal* 21, no. 1 (2015): 68-96.

30. Trubek, David M., Patrick Cottrell, and Mark Nance. „'Soft Law', 'Hard Law' and EU Integration.“ In *Law and New Governance in the EU and the US*, edited by Gráinne de Búrca and Joanne Scott, 65-94. Hart Publishing, 2006.

31. Van Elsuwege, Peter, and Meijn Chamon. *The Meaning of 'Association' under EU Law: A Study on the Law and Practice of EU Association Agreements*. European Parliament, Brussels, 2019.

32. Vianello, Ilaria. „From Objects to Subjects: Paving the Way for Third Countries and Their Natural and Legal Persons“. In *Framing the Subjects and Objects of Contemporary EU Law*, edited by Samo Bardutzky and Elaine Fahey. Edward Elgar, 2017.

BETWEEN FORMAL COMPLIANCE AND SUBSTANTIVE TRANSFORMATION: EVIDENCE OF A REPETITION TRAP IN EU CONDITIONALITY

Prof. Assoc. Dr. Doris Malaj
University of Tirana, Institute of European Studies
ORCID: 0000-0002-6186-5986

Abstract

Although EU conditionality is widely regarded as a mechanism capable of inducing profound political and institutional change, the persistent recurrence of similar reform priorities in the European Commission's Progress Reports for the Western Balkans presents an empirical anomaly. Against this background, the study examines the tension between formal compliance and substantive transformation in the context of EU enlargement by analysing the persistence of repeated recommendations addressed to Western Balkan candidate countries.

Methodologically, this study applies qualitative and comparative textual analysis of European Commission Progress Reports to systematically identify recurrent recommendations, assess their translation into measurable implementation outcomes, evaluate the continuity of EU priority-setting over time, and analyse whether the persistence of recommendation repetition reflects structural governance deficits or inherent limitations of the EU's conditionality framework.

Instead of interpreting repetition as simple bureaucratic routine, the paper defines it as a sign of slow or incomplete reforms and persistent implementation gaps, by arguing that repeated recommendations often indicate compliance at the level of laws and institutions without consistent enforcement or behavioural change. Overall, the findings suggest that repetition clusters in the Fundamentals revolves around stable rule-of-law and governance concerns and highlight discrepancies between formal reforms and substantive transformation. Finally, by conceptualizing this dynamic as a Repetition Trap the paper contributes to wider debates on conditionality effectiveness and enlargement credibility.

Key words: EU conditionality, formal compliance, recommendation repetition, substantive transformation, Western Balkans

Introduction

Despite being widely regarded as one of the European Union's most effective instruments for promoting political and institutional change, EU enlargement conditionality appears less successful when assessed against the political and institutional transformation of candidate countries. While those countries achieve high levels of formal compliance, many of the structural problems targeted by reforms persist in practice. This tension between legal alignment and substantive transformation is evident in the Western Balkans, where the annual European Commission Progress Reports repeatedly highlight the same reform priorities over time. In this context Albania represents a relevant study case, as the country has demonstrated significant formal progress in the EU accession process in recent years. With the opening of all negotiation chapters in a timeframe of only thirteen months, it is considered among the frontrunners in the region.[1] Furthermore, projections suggest that negotiations could be concluded within this decade.[2] Still, despite this advancement, the EU continues to emphasize recurring weaknesses, especially in the rule of law and governance sectors.

Considering the above-mentioned, this paper examines why European Commission recommendations, despite ongoing reforms, persist and argues, by introducing the concept of the so-called *Repetition Trap*, that such repetition reflects a gap between formal compliance and substantive transformation. Empirically, the study examines the case of Albania through an analysis of European Commission Progress Reports (2014 - 2024), focusing on the Fundamentals cluster and comparing EU assessments with governance indicators from Freedom House's *Nations in Transit*. After outlining the theoretical framework, the paper presents empirical evidence of repeated recommendations, discusses the findings by evaluating their implications for the effectiveness of EU conditionality, and finally, concludes by stating that unless implementation is prioritized and incentives regain credibility, EU enlargement risks becoming a process of formal compliance rather than meaningful institutional transformation.

Literature Review and Theoretical Framework

At the EU's enlargement policy core lies the mechanism of conditionality, and its logic of „reinforcement by reward"[3] linking progress in reforms to advancement in the accession process. Through this mechanism, the EU aims to

---

[1] Jana Juzová, „New Frontrunners and Laggers in the EU Enlargement process", EUROPEUM Institute for European Policy (2025)

[2] European Commission, „Press Remarks by High Representative/Vice-President Kallas and Commissioner Kos on the 2025 Enlargement Package". (Brussels, 4. November 2025)

[3] Frank Schimmelfennig and Ulrich Sedelmeier, „Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe", Journal of European Public Policy 11, no. 4 (2004), 661- 679, 664.

promote legal and institutional alignment with the *acquis*, which in the end should generate deeper and more sustainable forms of institutional transformation, described as the Union's „transformative power".[4] However, a growing body of literature suggests that this transformative capacity has become constrained, particularly in the context of the Western Balkans[5] While earlier enlargement rounds demonstrated strong transformative effects, more recent cases reveal a weakening of the link between conditionality and substantive change. This shift has been widely associated with broader structural and political factors, including enlargement fatigue, declining credibility of EU commitments, and domestic resistance to reform.[6] Central to this debate is the analytical distinction between formal compliance on one side, which refers to the adoption of laws, policies, and institutional frameworks in line with EU standards and substantive transformation on the other, which goes beyond formal adoption by implying also their effective implementation and the production of concrete outcomes in practice.[7] Scholars argue that, although candidate countries often achieve high levels of legislative alignment, these reforms do not always translate into effective institutional performance[8] as it seems that very often compliance is reflected by the formal adoption of acquis rather than by their meaningful application in practice, which furthermore creates a gap, conceptualized as „shallow Europeanization"[9] as norms and institutions are adopted but without being fully embedded in domestic practices and administrative routines. Although it is noted that governments in EU candidate countries often adopt reforms selectively, primarily in response to external pressure rather than genuine domestic commitment,[10] compliance remains largely formal as its implementation is constrained by both the countries' limited institutional capacity and their domestic political incentives.[11] This seems to align with a broader pattern where, although institutions exist in form, they function weakly in practice due to limited enforcement and accoun-

---

[4] Heather Grabbe, The EU's Transformative Power: Europeanization through Conditionality in Central and Eastern Europe (London: Palgrave Macmillan, 2006), 34.

[5] Keil Soeren and Zeynep Arkan, „The limits of normative power? EU Member State Building in the Western Balkans" in: The EU and Member State Building, European Foreign Policy in the Western Balkans, Keil Soeren and Zeynep Arkan (eds.), 15-3. (New York: Routledge, 2016)

[6] Maarten Leemstra, „The destructive effects of state capture in the Western Balkans", Netherlands Institute for International Relations (Clingendael Institute, 2020)

[7] Frank Schimmelfennig and Ulrich Sedelmeier, „The Europeanization of Central and Eastern Europe" (New York: Cornell University Press, 2005)

[8] Antoaneta Dimitrova and Geoffrey Pridham, „International actors and democracy promotion in Central and Eastern Europe: the integration model and its limits" Democratization 11, Nr. 5 (2004): 91-112.

[9] Gergana Noutcheva, „European Foreign Policy and the Challenges of Balkan Accession: Conditionality, Legacy and Compliance".(London: Routledge, 2012)

[10] Anna Vachudova Milana, Europe Undivided: Democracy, Leverage, and Integration after Communism (Oxford: Oxford University Press, 2005)

[11] Tanja A. Börzel, „When Europeanization hits limited statehood: The Western Balkans as a Test Case for the Transformative Power of Europe" (Berlin: KFG Working Paper Series 30, 2011)

tability as argued by several scholars.[12] These dynamics are especially visible in the Western Balkans, often described as stabilitocracies,[13] where, although formal democratic structures are maintained, deeper reforms are avoided, weakening the transformative power of EU conditionality. Overall, these theoretical perspectives suggest that the limits of EU conditionality lie not only in inducing reforms, but also in ensuring their effective implementation and sustainability. This often creates a gap between formal compliance and substantive transformation, particularly in politically sensitive areas such as the rule of law. Against this background, this paper introduces repetition as an analytical indicator. The recurrence of similar recommendations over time may signal implementation deficits, suggesting that reforms have been formally adopted but not fully translated into practice. Drawing on the policy cycle approach, the paper conceptualizes this dynamic as a Repetition Trap: a self-reinforcing cycle in which reforms are adopted, implementation remains partial, underlying problems persist, and the same recommendations repeatedly reappear. Rather than generating progressive institutional change, this dynamic may lead to stagnation and limited transformative impact (Figure 1)[14].

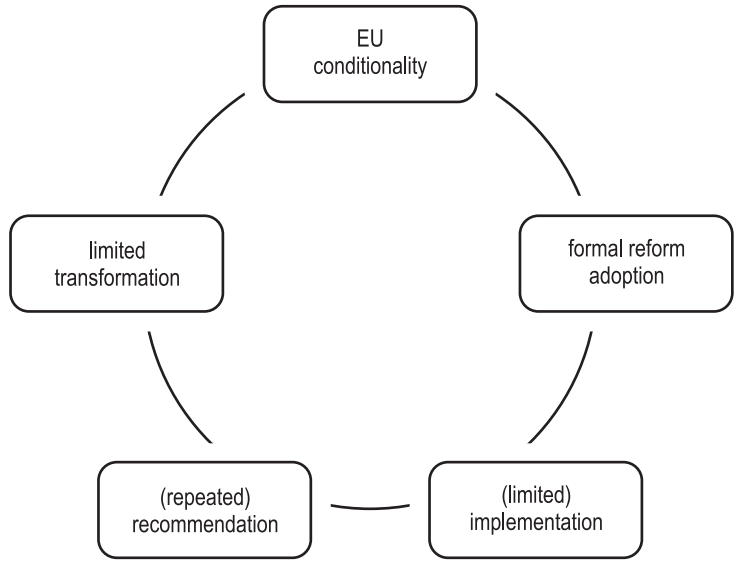


Figure 1: „Repetition Trap" in EU Conditionality[15]

[12] Guillermo O'Donnell, „Illusions about Consolidation". Journal of Democracy 2 (1996): 34-51.; Steven Levitsky and Lucan Way. Competitive Authoritarianism: Hybrid Regimes After the Cold War (Cambridge: Cambridge University Press, 201)

[13] Florian Bieber, The Rise of Authoritarianism in the Western Balkans (Cham: Palgrave Macmillan, 2020)

[14] Michael Howlett, M. Ramesh and Anthony Perl, „Studying Public Policy. Policy Cycles and Policy Subsystems" (Oxford : Oxford University Press, 2003)

[15] Author's elaboration based on Howlett and Ramesh, Studying Public Policy

Analysis: repeated EC Reports recommendations in Albania

Building on the theoretical framework, this section examines whether repeated recommendations in European Commission Progress Reports indicate a gap between formal compliance and substantive transformation in Albania between 2014 and 2024.

Table 1: Recurrent recommendations by chapter[16]

Chapter	Policy Area	Main Repeated Recommendations	Level of Repetition	Implementation Outcome
23	Judiciary	Independence, accountability, meritocracy	Very High	Limited / uneven
24	Security	Organized crime, money laundering	Very High	Moderate / weak enforcement
5	Procurement	Transparency, oversight	High	Partial
32	Financial Control	Managerial accountability	High	Limited
18	Statistics	Data quality, ESA alignment	Low	Strong

First, repetition is unevenly distributed across the Fundamentals cluster, being most pronounced in Chapters 23 and 24, followed by Chapters 5 and 32, while Chapter 18 records the lowest level. This pattern suggests that repetition is concentrated in policy areas where reforms depend heavily on effective implementation, enforcement, and institutional independence (Table 1).

In Chapter 23, recommendations focus on judicial independence, accountability, and transparency. Throughout the entire period, reports highlight issues related to political influence over the judiciary, weak disciplinary mechanisms, and limited enforcement of court decisions (EC 2014 - 2023). In addition, corruption remains another central and recurring issue in EC Progress Reports. While progress is noted in the establishment of institutions, reports continue to stress the need for a stronger track record of convictions and more effective enforcement, which overall indicates a gap between institutional creation and practical results. Similarly, in Chapter 24, recommendations emphasize the fight against organized crime, money laundering, and the need for stronger investigative capacity. Despite moderate progress in certain areas, the persistence of these recommendations highlights ongoing

[16] Author's own compilation based on European Commission Progress Reports for Albania 2014-2024.

challenges in translating legal frameworks into operational effectiveness (European Commission, 2015; 2021; 2022).

Repetition is also present in governance-related areas, though with varying intensity. Public procurement (Chapter 5) remains a concern, with repeated recommendations focusing on transparency, accountability, and corruption risks. While EC Progress reports stress that legal alignment with EU directives has progressed, implementation gaps persist, especially in oversight and administrative capacity. A similar pattern is observed in Chapter 32, where managerial accountability emerges as a repeatedly cited weakness. Moreover, the European Commission emphasizes, across multiple reports, the need to strengthen internal financial control systems and ensure effective follow-up of audit findings, highlighting that despite some progress, this issue remains largely unresolved.

In contrast, it is observable that recommendations for Chapter 18 are more technical and have been addressed more consistently, leading as such to gradual improvements in data quality, institutional capacity, and alignment with EU standards and presenting a more positive trajectory when compared to the other fundamental chapters, which makes statistics an important counterexample within the broader analysis.

Table 2: Time Dimension of Repetition[17]

Period	Key Repeated Issues	Progress Observed
2014 - 2016	Judicial independence, corruption	Very limited
2017 - 2019	Justice reform, vetting	Initial progress
2020 - 2022	Enforcement, organized crime	Moderate
2023 - 2024	Quality of justice, accountability	Still repeated

Second, the time dimension further reinforces the above elaborated findings. As shown in Table 2, key recommendations persist across multiple periods, despite ongoing reform efforts. While earlier EC reports (2014 - 2016) highlight fundamental structural weaknesses, partial progress is reflected in later periods (2017 - 2024), especially in formal reforms such as the justice reform and the establishment of new institutions. However, clear evidence of the continued repetition of similar recommendations indicates that these reforms have not translated into sustained institutional change, suggesting that repetition reflects long-term implementation challenges and not just temporary delays.

[17] Author's own compilation based on European Commission Progress Reports for Albania 2014 - 2024.

Table 3: Nations in Transit indicators (2014 - 2024)[18]

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Corruption	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	3	3
Judicial framework and independence	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
National Democratic Governance	3.25	3.5	3.5	3.5	3.5	3.5	3.25	3.25	3.25	3.25	3.25

Finally, to assess whether these reforms have produced outcomes in the form of substantive transformation, it is useful to consider external governance indicators. Therefore, data from Freedom House (*Nations in Transit*, 2014 - 2024) demonstrate a stable pattern across key governance dimensions in Albania. While national democratic governance indicators show only limited variation over time, scores for judicial independence remain unchanged throughout the entire period and corruption shows only marginal improvement in recent years. This stability suggests that, despite reform efforts and formal institutional changes, improvements in governance outcomes remain limited. In this regard, the convergence between European Commission assessments and independent indicators supports the interpretation that repeated recommendations are associated with implementation challenges, especially when considering institutional accountability and financial control, where gaps between legal frameworks and actual implementation remain present.

Repetition Trap and the Limits of EU Conditionality

The empirical findings presented above provide strong support for the theoretical distinction between formal compliance and substantive transformation and allow for a direct evaluation of the effectiveness of EU conditionality. While Albania has made significant progress in adopting legislation and institutional frameworks aligned with the EU, the persistence of repeated recommendations across key policy areas suggests that these reforms have not consistently translated into effective outcomes. In this sense, the analysis confirms that the limits of EU conditionality lie not in inducing reform adoption but in ensuring its implementation for sustained impact.

First, the findings highlight the uneven effectiveness of conditionality across various policy areas. As shown in the empirical analysis, this gap is evident in rule-of-law sectors, as in areas such as judicial independence, anti-corruption, and organized crime, repetition is most pronounced as European Commission

[18] Freedom House, Nations in Transit 2014 - 2024

Progress reports continue to generate similar recommendations over time despite sustained reform efforts. While this indicates that reforms are only formally adopted but not fully implemented, it reflects best what the literature describes as shallow Europeanization.[19] On the other hand, it should be noted that more technical areas, such as statistics, show lower levels of repetition and more consistent and steady progress. This is a contrast that suggests that EU conditionality is more effective in domains with lower political resistance, but less capable of producing substantive transformation in politically sensitive areas where reforms affect power structures more directly.

Second, the findings highlight the central role of implementation as a structural constraint on the effectiveness of conditionality. When implementation remains partial or inconsistent, reforms fail to produce substantive change, and the same problems recur in subsequent cycles as they cannot lead to substantial transformation. In the context of EU conditionality, this dynamic takes the form of repeated recommendations, where similar priorities are repeated year after year, and instead of conditionality policies influencing gradual progress, this persistence reveals unresolved structural constraints that limit the transformative impact of reforms. This argument is further reinforced by the convergence between the European Commission's assessments and the independent indicators presented. The largely stagnant pattern observed in governance outcomes, particularly in judicial independence and corruption, reinforces the interpretation that repeated recommendations are associated with persistent implementation deficits and that this persistence suggests that formal institutional changes have not been accompanied by measurable improvements in performance, attesting to a structural gap between legal frameworks and actual implementation. As a result, conditionality appears to ensure formal compliance and alignment, but it does not translate into functional and sustainable institutional change, thereby limiting its transformative power.

Taken together, these findings point to a broader structural limitation, the emergence of what this paper conceptualizes as the *Repetition Trap.* Rather than functioning as a mechanism of gradual learning and improvement, EU conditionality seems to operate through a self-reinforcing cycle in which reforms are formally adopted but implementation remains partial, and therefore core problems persist, leading to recommendations being repeatedly reproduced in successive reporting cycles. What is important to note is that this dynamic has so far proven not to necessarily lead to cumulative progress; instead, it risks stabilizing a pattern of limited transformation, where reform processes remain active, but their impact remains limited.

In addition, broader political and geopolitical dynamics may further weaken the consistency and credibility of incentives within the enlargement process. Factors such as enlargement fatigue, shifting geopolitical priorities, and the

[19] Noutcheva, 2012

EU's increased focus on stability and security in the Western Balkans have contributed to a more pragmatic approach toward candidate countries. At the same time, the accelerated progress of countries such as Ukraine and Moldova illustrates how geopolitical considerations can reshape enlargement dynamics, sometimes weakening the perceived link between reforms and rewards.[20] As a result, pressure for deep reforms may decline, particularly in politically sensitive areas, reducing incentives for countries to move beyond formal compliance when progress appears only loosely connected to implementation outcomes. Although the revised enlargement methodology, with its stronger focus on the „Fundamentals," was designed to address the gap between formal compliance and substantive transformation through stricter monitoring, conditional incentives, and the possibility of reversibility in cases of backsliding the findings suggest that this shift has not yet fully translated into improved implementation outcomes[21]. In practice, the continued emphasis on legislative and institutional alignment, rather than performance-based evaluation, limits the ability of conditionality to generate meaningful change.

Conclusions

This paper shows that repeated recommendations in EC Progress Reports provide evidence of a persistent gap between formal compliance and substantive transformation. It further conceptualizes this dynamic as a *Repetition Trap*, understood as a self-reinforcing cycle in which reforms are adopted, implementation remains limited, and core problems persist. Thus, repetition emerges not as a procedural feature, but as an empirical signal of implementation deficits. While the Repetition Trap is most pronounced in politically sensitive areas, it reflects both domestic constraints in candidate countries and structural limits within EU conditionality.

To conclude, it is important to highlight that, particularly in so-called stabilitocracies, conditionality tends to produce alignment without transformation, as its effectiveness is constrained by an emphasis on formal compliance, weak outcome-based monitoring, and fluctuating incentive credibility. Looking ahead, particularly in the context of future enlargement rounds, breaking out of the Repetition Trap requires a dual shift, because candidate countries must move beyond formal alignment and commit to genuine implementation and institutional accountability, while the EU must move decisively toward performance-based evaluation, stronger enforcement, and more credible and consistent incentives, even if this proves politically challenging in an uncertain geopolitical environment where stability and security concerns often take precedence. Unless

[20] European Commission „Enlargement Package 2023" (Brussels, 2023); Council of the European Union, „Council Conclusion on Enlargement and Stabilisation and Association Process" (Brussels, 2023)

[21] European Commission, „Enhancing the accession process. A credible EU perspective for the Western Balkans" (Brussels, 2020)

this trap is broken, enlargement risks becoming a process of compliance without transformation, resulting in integration without genuine democratic change, which in the end is an outcome that would undermine the EU's role as a „school for democracy".[22]

References

1. Bieber, Florian. *The Rise of Authoritarianism in the Western Balkans*. London : Palgrave Macmillan, 2020.
2. Börzel, Tanja A. *When Europeanization hits limited statehood: The Western Balkans as a Test Case for the Transformative Power of Europe*. Berlin: KFG Working Paper Series 30, 2011.
3. Council of the European Union. „Council Conclusion on Enlargement and Stabilisation and Association Process." Brussels, 2023.
4. Dimitrova, Antoaneta, und Geoffrey Pridham. „International actors and democracy promotion in Central and Eastern Europe: the integration model and its limits". *Democratization* 11, Nr. 5 (2004): 91-112.
5. EESC. *Albania demonstrates its political commitment to the EU accession path; However, reforms still need to be delivered*. 2025.
6. European Commission. *Albania Progress Report*. Brussels, 2014 - 2024.
7. European Commission. „Enhancing the accession process. A credible EU perspective for the Western Balkans". Brussels, 2020.
8. European Commission. „Enlargement Package 2023". Brussels, 2023.
9. European Commission. „Press Remarks by High Representative/Vice-President Kallas and Commissioner Kos on the 2025 Enlargement Package." Brussels, 4. November 2025.
10. Freedom House. „Nations in Transit". Washington DC, 2014 - 2024.
11. Grabbe, Heather. *The EU's transformative power: Europeanization through Conditionality in Central and Eastern Europe*. New York: Palgrave Macmillan, 2006.
12. Howlett, Michael, M. Ramesh, und Anthony Perl. *Studying Public Policy. Policy Cycles and Policy Subsystems*. Oxford : Oxford University Press , 2003.
13. Juzová, Jana Faktor. „2025: New Frontrunners and Laggers in the EU Enlargement process". EUROPEUM Institute for European Policy, 2025.
14. Kmezic, Marko. „The EU rule of law conditionality: Democracy or „Stabilitocracy" Promotion in the Western Balkans?" In *The Europeanization of the Western Balkans. New Perspectives on South-East Europe*, von J. Dzankic, S. Keil und M. Kmezic, 87-109. London : Palgrave Macmillan, 2019.
15. Leemstra, Maarten. *The destructive effects of state capture in the Western Balkans*. Netherlands Institute for International Relations, Clingendael Institute, 2020.
16. Levitsky, Steven, und Lucan Way. *Competitive Authoritarianism: Hybrid Regimes After the Cold War*. Cambridge: Cambridge University Press, 2010.

[22] Helen Pinto „*The role of European Union accession in democratization processes"* (London: Democratic Progress Institute, 2016), 14.

17. Noutcheva, Gergana. *European Foreign Policy and the Challenges of Balkan Accession: Conditionality, Legacy and Compliance*. London: Routledge, 2012.

18. O'Donnell, Guillermo. „Illusions about Consolidation". *Journal of Democracy* 2 (1996): 34-51.

19. Pinto, Helen. *The role of European Union accession in democratization processes*. London: Democratic Progress Institute, 2016.

20. Schimmelfennig, Frank und Ulrich Sedelmeier. „Governance by Conditionality: EU rule transfer to the candidate countries of Central and Eastern Europe". *Journal of European Public Policy* 11, Nr. 4 (2004): 661-679.

21. Schimmelfennig, Frank und Ulrich Sedelmeier. *The Europeanization of Central and Eastern Europe*. New York : Cornell University Press, 2005.

22. Soeren, Keil, und Zeynep Arkan. „The limits of normative power? EU Member State Building in the Western Balkans". In *The EU and Member State Building, European Foreign Policy in the Western Balkans*, von Keil Soeren und Zeynep Arkan, 15-31. New York: Routledge, 2016.

23. Vachudova, Milada, A. *Europe Undivided: Democracy, Leverage, and Integration after Communism*. Oxford : Oxford University Press, 2005.

24. Wunsch, Natascha, und Vedran Dzihic. *The Crisis of Democracy in the Western Balkans. An Anatomy of Stabilitocracy and the Limits of EU democracy promotion*. BIEPAG, 2017, 5-14.

REFORMING THE STATE, TRANSFORMING THE ECONOMY: POLITICAL – ECONOMIC CRITERIA INTERDEPENDENCE UNDER EU CONDITIONALITY

Dr. Elena POLO
University of Tirana, Institute of European Studies
ORCID number: 0009-0005-3927-197X

Abstract

This research examines the interdependence between political and economic reform trajectories in complying with EU conditionality. Drawing on theories of enlargement, institutional economics, and EU transformative power, the research explores whether institutional consolidation – particularly in rule of law and governance quality – constitutes a structural foundation for sustainable economic transformation, growth, and market competitiveness. Using a mixed-method comparative approach, the research combines scores from EC reports 2015-2025, assessing progress/preparedness for EU accession, with complementary evidence drawn from the BTI, capturing political, economic and governance transformation. It conceptualizes the political and economic criteria as mutually reinforcing yet asymmetrically related under EU conditionality, and investigates further patterns of convergence/divergence, and asymmetrical development between political and economic reform conditionality across the region. The findings reveal that EU conditionality, while designed as a multi-criteria framework, operates in practice through a political-first logic: sustainable economic transformation requires credible institutional reform as a prerequisite, not merely a parallel track. Advances in economic criteria are consistently preceded/accompanied and also sustained by measurable improvements in the political-governance domain. By examining the political-economic gap, this research seeks to contribute to broader debates on reform-sequencing, interdependence, and effectiveness in transitional WB economies, along with the paradoxes of the EU enlargement/conditionality.

Keywords: EU conditionality, Western Balkans, criteria interdependence, institutional economics, EU transformative power

Introduction

With the Copenhagen criteria to comply, the EU has generated a framework in which political performance and economic transformation are presented as joint requirements of the accession process. Yet the relationship between these two dimensions remains theoretically underspecified and empirically contested, particularly in the context of the WBs. Nevertheless, these two reform dimensions are not expected to evolve independently. Political, institutional and governance developments and governance play a pivotal role in shaping the economic transformation trajectory of a country.

As such, the focus of this research is to shed light on the inter-linked dynamics between political and economic conditionality by identifying periods of parallel progress, divergence, or asymmetrical development/interdependence. This research aims to explore whether political reforms function as a prerequisite for sustainable economic development exerting a stronger influence on economic outcomes, or whether economic progress can advance despite limited political consolidation, also acknowledging periods in which economic performance may outpace institutional reform.

To address this approach, this article covers three EU candidate countries of the WB6, at the frontier of the current enlargement agenda, namely Albania, Montenegro, and Serbia. For the purpose of the analysis, the period covered is the decade 2015-2025, which also represents a period marked by the introduction of the revised methodology 2020 as a credible incentive to enlargement (which also formalized the clustering of fundamentals reforms as a gateway), shifting geopolitical pressures, and sharply diverging national trajectories.

Theoretical framework and Literature review

Conditionality and Enlargement theories: EU candidates comply with EU criteria when the expected benefits of membership outweigh domestic adaptation costs of reforms[1]. A credible enlargement / membership policy activates reforms[2], through benchmarking and the provision of models as key mechanisms of EU transformative influence[3]. The revised 2020 methodology structurally formalizes the sequencing logic central to this paper: by placing „Fundamentals“ clusters as a gateway to all other negotiating clusters for political and economic transformation[4], institutionalizing that political, institutional and

---

1 Frank Schimmelfennig and Ulrich Sedelmeier, „Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe“, *Journal of European Public Policy* 11, no. 4 (2004)

2 Milada Anna Vachudova, *Europe Undivided: Democracy, Leverage, and Integration after Communism* (Oxford: Oxford University Press, 2005)

3 Heather Grabbe, *The EU's Transformative Power: Europeanization through Conditionality in Central and Eastern Europe* (London: Palgrave Macmillan, 2006)

4 European Commission, *Enhancing the Accession Process - A Credible EU Perspective for the Western Balkans*, COM(2020) 57 final (Brussels, February 5, 2020)

governance reform must precede, not merely accompany, economic integration and transformation.

Institutional Economics theories: Institutions are the primary determinants of long-run economic performance[5]. Institutional quality explains a significant share of cross-country income differences[6].

EU transformative power and limitations: Transformative effectiveness depends on domestic resonance-the degree to which internal actors can absorb and internalize European standards[7]. In the WB context, „enlargement fatigue" has diminished credibility of membership prospects weakening over time reform incentives, enabling only the formal compliance engagement rather than substantive institutional transformation[8].

Indicators of institutional economics have been assessed to be key determinants of long-term growth, convergence, and real economic transformation in EU candidate countries (together with structural indicators, explaining 1/3 of the economic growth variances with the EU). Building efficient and credible institutions and increasing institutional development are expected to be among the factors to accelerate catching-up and general economic advancement[9]. Challenges related to rule of law weaknesses, poorly functioning institutions and high state presence in the economy hamper economic development[10].

Among the current candidate countries, the institutional challenges are huge. Weak rule of law, corruption, and governance backsliding threaten accession prospects and must be addressed before accession with „must have" reforms to mitigate risks and foster convergence with regards to rule of law, judiciary, and anticorruption frameworks; public administration capacities, political stability, and democratic accountability[11].

---

5 Douglass C. North, *Institutions, Institutional Change and Economic Performance* (Cambridge: Cambridge University Press, 1990)

6 Daron Acemoglu, Simon Johnson, and James A. Robinson, „The Colonial Origins of Comparative Development: An Empirical Investigation", *American Economic Review* 91, no. 5 (2001)

7 Tanja A. Börzel and Thomas Risse, „From Europeanization to Diffusion: Introduction", *West European Politics* 35, no. 1 (2012)

8 Florian Bieber, *The Rise of Authoritarianism in the Western Balkans* (Cham: Palgrave Macmillan, 2020)

9 Teet Rajasalu, „Indicators of Economic Freedom and Economic Structure as Determinants of Growth and Convergence in Enlarging EU and Priorities for Estonia", in *Essays in Estonian Transformation Economics*, ed. Ülo Ennuste and Lisa Wilder (Tallinn: Estonian Institute of Economics and Tallinn University of Technology, 2003)

10 European Court of Auditors, *EU Support for the Rule of Law in the Western Balkans: Despite Efforts, Fundamental Problems Persist*, Special Report 01/2022 (Luxembourg: Publications Office of the European Union, 2022), https://www.eca.europa.eu/en/publications/SR22_01

11 Michael Landesmann et al., „Another Round of EU Enlargement: What Are the Economic and Institutional Must-Haves for Candidate Countries to Make Accelerated Enlargement Possible?", WIIW Policy Notes and Reports 102 (Vienna: Vienna Institute for International Economic Studies, November 2025)

Methodology

This study employs a mixed-methods comparative approach of analysis, combining quantitative scoring with qualitative interpretation. Two primary data sources are used: (1) EC Progress and Preparedness Scores (2015-2025): annual assessments of dynamic reform implementation (progress) and structural and accumulated institutional capacity (preparedness) across five political and economic indicators: (a) Public Administration, (b) Chapter 23: „Judiciary and Fundamental Rights", (c) Fight against Corruption, (d) Economic criterion A „Functioning market economy", and (e) Economic criterion B „Capacity to cope with competitive pressures"; and (2) Bertelsmann Transformation Index (BTI) 2016-2026: biennial composite scores measuring overall transformation Index, Political Transformation, Economic Transformation, and Governance Index for each of the three countries.

Analysis proceeds in three steps: (a) trend analysis of political and economic indicators scores linked to the EU criteria; (b) analysis of the Political average - Economic average Gap, as a proxy measure of criteria asymmetry; and (c) cross-validation against BTI data to test whether EC scores trajectories are still confirmed by an independent and broader transformation index.

Analysis results and findings

Based on the EC country reports[12], progress scores try to explain dynamism of reforms' implementation. Albania seems to have shown the strongest and most sustained improvement on political indicators, while the economic scores have remained stable most of the period. The resulting *Political-Economic Gap of +0.10* indicates that by the end of the decade, political reform marginally outpaces economic progress. Albania is the only case among the three countries where the sequencing reforming logic holds.

Montenegro presents a more complex pattern. Political indicators peak in 2017-2018, but deteriorate markedly from 2019, due to Chapter 23 and Anti-Corruption. Economic scores remain relatively stable at 3, producing a *Political-Economic Gap of -0.27*: economic criteria systematically exceed political reform scores, indicating economic integration has proceeded ahead of governance consolidation. Montenegro demonstrates the strongest degree of political – economic convergence among the three countries. Having entered the decade as the most advanced WB candidate, it reflects a notable stability across both political and economic criteria.

Serbia exhibits the most pronounced reforms' regression and asymmetry. Public Administration and Chapter 23 scores have declined consistently and

[12] European Commission, Directorate-General for Neighborhood and Enlargement Negotiations, *Annual Progress Reports on Albania, Montenegro, and Serbia, 2015 - 2025* (Brussels: European Commission, 2015 - 2025), https://enlargement.ec.europa.eu

collapsed to 1 in recent years, while Fight against corruption has stagnated at levels 2-3. Economic scores, by contrast, remain comparatively stable at 3-4 throughout the period.

The resulting *Political-Economic Gap of -0.83* (the largest among the three countries) represents the starkest empirical case of „*economy without institutionalization paradox*": economic performance with political backsliding, or in other words said, macroeconomic stability maintained while governance systematically deteriorates.

Table 1. EC Progress Scores 2015 - 2025

		Public administration	Ch. 23: Judiciary and fundamental rights	Fight against corruption	Economic criteria A	Economic criteria B	Political average	Economic average	Pol-Econ Gap
Albania	2015	2	2	2	3	3	2.00	3.00	0.10
	2016	3	3	3	3	3	3.00	3.00	
	2018	3	4	4	3	3	3.67	3.00	
	2019	3	4	4	3	3	3.67	3.00	
	2020	3	4	4	3	3	3.67	3.00	
	2021	3	4	3	3	3	3.33	3.00	
	2022	2	4	3	4	3	3.00	3.50	
	2023	2	4	3	3	3	3.00	3.00	
	2024	2	3	3	3	3	2.67	3.00	
	2025	3	3	3	3	2	3.00	2.50	

Montenegro	2015	2	3	2	3	3	2.33	3.00	-0.27
	2016	3	3	2	3	3	2.67	3.00	
	2017	4	3	3	3	3	3.33	3.00	
	2018	4	3	3	3	3	3.33	3.00	
	2019	3	3	2	3	3	2.67	3.00	
	2020	3	2	2	3	3	2.33	3.00	
	2021	2	2	2	3	3	2.00	3.00	
	2022	2	2	2	4	3	2.00	3.50	
	2023	2	2	2	2	2	2.00	2.00	
	2024	2	4	4	3	2	3.33	2.50	
	2025	3	3	3	3	3	3.00	3.00	

Serbia	2015	4	2	2	4	3	2.67	3.50	-0.83
	2016	4	2	2	4	3	2.67	3.50	
	2018	3	3	3	4	3	3.00	3.50	
	2019	3	3	2	3	3	2.67	3.00	
	2020	1	1	2	3	3	1.33	3.00	
	2021	2	2	2	3	3	2.00	3.00	
	2022	2	3	3	3	3	2.67	3.00	
	2023	2	3	2	3	3	2.33	3.00	
	2024	1	2	3	3	3	2.00	3.00	
	2025	1	1	2	2	3	1.33	2.50	

Scale: 1 = No progress, 2 = limited, 3 = some, and 4 = good;
Political Average = average of scores for Public Admin, Ch.23, and Fight against Corruption;
Economic Average = average of scores for Economic criterion A and B;
Pol-Econ Gap = Pol. Average - Econ. Average for the whole decade.

Source: EC, 2026

The Preparedness scores provide a complementary perspective on accumulated institutional readiness over the last decade. Again, Albania shows consistent improvement and sustained compliance with the political criteria indicators. With regards to the economic criterion A, its improvement suggest that political reforms are beginning to feed through to improved economic institutional quality. Economic criterion B remains fixed at 2 throughout the decade, signalling persistent competitiveness weaknesses that require further durable reform improvement and implementation rather than episodic progress annually.

Montenegro's preparedness profile reflects an evident stability: most indicators remain at 3 („moderate level") and Fight against corruption at 2 („some level") throughout the whole decade, despite active accession negotiations held with the EU. This illustrates the gap between process engagement and substantive change, as articulated for the EU conditionality and enlargement frameworks. At the same time, Montenegro presents the clearest case of a *„procedural compliance rather than substantive reform paradox*" or otherwise termed as *„advanced candidate trap"* - locking in a 'moderate preparedness' equilibrium, with its structural preparedness scores essentially flat for a decade.

In case of Serbia, preparedness indicators for EU accession confirm once again the criteria asymmetry – on average, economic preparedness improving while governance preparedness stagnates – thus confirming also the above mentioned *„growth without institutionalization paradox*". The Political – Economic Gaps in preparedness for the three countries highlights the criteria compliance asymmetry in case of Serbia (the highest value) and the reform sequencing in case of Albania.

Table 2. EC Preparedness Scores 2015 - 2025

		Public administration	Ch. 23: Judiciary and fundamental rights	Fight against corruption	Economic criteria A	Economic criteria B	Political average	Economic average	Pol-Econ Gap
Albania	2015	3	1	2	3	2	2.00	2.50	-0.05
	2016	3	2	2	3	2	2.33	2.50	
	2018	3	4	2	3	2	3.00	2.50	
	2019	3	2	2	3	2	2.33	2.50	
	2020	3	2.5	2	3	2	2.50	2.50	
	2021	3	3	2	3	2	2.67	2.50	
	2022	3	3	2	3	2	2.67	2.50	
	2023	3	3	2	4	2	2.67	3.00	
	2024	3	3	2.5	4	2	2.83	3.00	
	2025	3	3	3	4	2	3.00	3.00	
Montenegro	2015	3	3	2	3	3	2.67	3.00	-0.32
	2016	3	3	2	3	3	2.67	3.00	
	2017	3	3	2	3	3	2.67	3.00	
	2018	3	3	2	3	3	2.67	3.00	
	2019	3	3	2	3	3	2.67	3.00	
	2020	3	3	2	3	3	2.67	3.00	
	2021	3	3	2	3	3	2.67	3.00	
	2022	3	3	2	3	3	2.67	3.00	
	2023	3	3	2	3	3	2.67	3.00	
	2024	3	3	2.5	3	3	3.83	3.00	
	2025	3	3.5	3	3.5	3.5	3.17	3.50	
Serbia	2015	3	2	2	3	3	2.33	3.00	-0.88
	2016	3	2	2	3	3	2.33	3.00	
	2018	3	2	2	3	3	2.33	3.00	
	2019	3	2	2	3	3	2.33	3.00	
	2020	3	2	2	3	3	2.33	3.00	
	2021	3	2	2	4	3	2.33	3.50	
	2022	3	2	2	4	3	2.33	3.50	
	2023	3	2	2	4	3	2.33	3.50	
	2024	3	2	2.5	4	3	2.50	3.50	
	2025	3	2	2.5	4	3	2.50	3.50	

Scale: 1 = Early stage of preparation, 2 = some, 3 = Moderate, 4 = Good, 5 = Advanced;
Political Average = average of scores for Public Admin, Ch.23, and Fight against Corruption;
Economic Average = average of scores for Economic criterion A and B;
Pol-Econ Gap = Pol. Average - Econ. Average for the whole decade.

Source: EC, 2026

The BTI data[13] provide independent cross-validation of EC assessment trajectories and constitute the most analytically powerful evidence for the reform sequencing to maximally benefit from the EU transformative power prior to accessions. In overall terms of countries' transformation along with the EU negotiations, Albania represents the only one showing consistent upward trend in political and economic transformation, and governance quality. Critically, political transformation shows to improve faster than economic transformation, consistent with the sequencing logic that governance consolidation generates downstream economic transformation. Serbia's BTI trajectory is analytically striking in its asymmetry: its political transformation collapses by the end of a decade, classifying Serbia as a „moderate autocracy", while its economic transformation shows a slight decline over the same decade. The coexistence of political and governance regress (the sharpest decline) with a relatively sustained economic transformation confirms once again the paradox identified above in the analysis with EC country progress reports scores. Furthermore, it raises questions about the mid-term sustainability of economic transformation of Serbia. In the case of Montenegro, formal economic transformation and progress seems to have shadowed the governance capacities weaknesses.

Table 3. BTI scores for the countries' transformation 2016-2026

Country	Year	BTI Index	Political Transf.	Economic Transf.	Governance Index	*Trend*
Albania	2016	6.71	6.95	6.46	5.77	*From limited to advanced overall and economic transformation; Defective democracy; Good governance*
	2018	6.83	7.05	6.61	6.02	
	2020	6.84	7.15	6.54	5.95	
	2022	6.68	7.10	6.25	6.28	
	2024	7.27	7.50	7.04	6.56	
	2026	7.40	7.70	7.11	6.71	
Montenegro	2016	7.48	7.85	7.11	6.46	*Overall and economic advanced transformation; Defective democracy; Good governance*
	2018	7.35	7.55	7.14	6.49	
	2020	7.21	7.35	7.07	6.63	
	2022	6.96	7.10	6.82	6.23	
	2024	7.12	7.10	7.14	5.93	
	2026	7.45	7.40	7.50	5.90	
Serbia	2016	7.43	7.85	7.00	6.38	*From advanced to limited overall and economic transformation; From defective democracy to moderate autocracy; From good to weak governance*
	2018	7.40	7.70	7.11	6.06	
	2020	6.94	6.95	6.93	5.39	
	2022	6.48	6.25	6.71	4.89	
	2024	6.35	6.05	6.64	4.43	
	2026	5.98	5.18	6.79	3.96	

BTI Index is a composite of Political and Economic Transformation. Governance Index is a separate indicator of state management capacity. Source: Bertelsmann Stiftung, 2026

[13] Bertelsmann Stiftung. *BTI 2024 Country Reports: Albania, Montenegro, and Serbia*. Gütersloh: Bertelsmann Stiftung, 2024. https://bti-project.org/ALB, https://bti-project.org/MNE, https://bti-project.org/SRB

For the purpose of the analysis, the Political-Economic Gap (mostly in terms of reform progress / dynamism) is the central diagnostic indicator. Albania (+0.10) is the only country where political institutional reform marginally leads economic reform and progress. Montenegro (-0.27) and Serbia (-0.83) both show economic criteria – related reforms outperforming political ones, with Serbia's gap representing a structural asymmetry that has worsened over the period.

Table 4. Cross-Country evidence for the Criteria Asymmetry, 2026

Country	Average Pol. Progress	Average Econ. Progress	Pol - Econ Gap in progress	Average Pol. Prepa-redness	Average Econ. Prepar-edness	Pol - Econ Gap in Prepa-redness	BTI 2026	BTI Trend
Albania	3.10	3.00	+0.10	2.6	2.65	-0.05	7.40	Improving
Montenegro	2.64	2.91	-0.27	2.73	3.05	-0.32	7.45	Slight decline
Serbia	2.27	3.10	-0.83	2.37	3.25	-0.88	5.98	Sharp decline

Source: EC country reports and Bertelsmann Stiftung, 2026

Discussion on the findings: interdependence of criteria and limits of transformation

Albania demonstrates comparatively stronger judicial reform, along with uneven progress in fight against corruption, and with progressed but cautious economic transformation, suggesting that institutional reform alone does not automatically generate rapid economic convergence. Albania's trajectory is in several aspects the most encouraging out of the three, offering evidence for the 'fundamentals first' approach.

Montenegro has shown the most balanced political and economic reforming trajectory overall: with a substantial public administration reform initially, but later experienced the so-called reform fatigue and implementation slow down (as assessed, very typical in prolonged accession processes); with moderate but inconsistent progress in judicial reform, suggesting for institutional stabilization without full consolidation; with fight against corruption, as the most resistant dimension of political transformation; and with economic reform performance comparatively more stable political reform dynamics.

Serbia represents the most important case for the criteria asymmetry: with the public administration reform deterioration suggesting for institutional stagnation despite early and continued accession talks; with limited and politically constrained judiciary reform; with economic conditionality advancing more consistently than political and governance reforms.

Table 5. Typology of criteria compliance and transformation

Country	Pattern of EC criteria progress	Pattern of transformation
Albania	Political-led asymmetry	Transitional convergence
Montenegro	Relative convergence	Relative convergence
Serbia	Economic-led asymmetry	Political-economic divergence

Source: Authors' elaboration, 2026

Conclusions

The findings support three principal conclusions: (1) the political and economic Copenhagen criteria are asymmetrically interdependent: political reforms act as a structural precondition for sustainable economic transformation; (2) the „*growth without institutionalization paradox*" is experienced in practice, but can only be temporal; and (3) „the „*procedural compliance rather than substantive reform paradox*" impairs EU conditionality transformation effectiveness and credibility.

Political and economic transformation do not advance either uniformly, or in parallel. Candidate countries' transformation under EU conditionality shows to be asymmetrical, uneven and criteria-differentiated. Furthermore, EU conditionality proves to generate differentiated transformation trajectories rather than uniform convergence, depending on governance capacity and quality, reform sequencing, substantive implementation, and ownership.

References

1. Acemoglu, Daron, Simon Johnson, and James A. Robinson. „The Colonial Origins of Comparative Development: An Empirical Investigation". *American Economic Review* 91, no. 5 (2001).
2. Bertelsmann Stiftung. *BTI 2024 Country Reports: Albania, Montenegro, and Serbia*. Gütersloh: Bertelsmann Stiftung, 2024. https://bti-project.org/ALB, https://bti-project.org/MNE, https://bti-project.org/SRB.
3. Bieber, Florian. *The Rise of Authoritarianism in the Western Balkans*. Cham: Palgrave Macmillan, 2020.
4. Börzel, Tanja A., and Thomas Risse. „From Europeanization to Diffusion: Introduction". *West European Politics* 35, no. 1 (2012).
5. European Court of Auditors. *EU Support for the Rule of Law in the Western Balkans: Despite Efforts, Fundamental Problems Persist*. Special Report 01/2022. Luxembourg: Publications Office of the European Union, 2022. https://www.eca.europa.eu/en/publications/SR22_01.
6. European Commission, Directorate-General for Neighborhood and Enlargement Negotiations. *Annual Progress Reports on Albania, Montenegro, and Serbia, 2015 - 2025*. Brussels: European Commission, 2015 - 2025. https://enlargement.ec.europa.eu.

7. European Commission. *Enhancing the Accession Process - A Credible EU Perspective for the Western Balkans*. COM (2020) 57 final. Brussels, February 5, 2020.
8. Grabbe, Heather. *The EU's Transformative Power: Europeanization through Conditionality in Central and Eastern Europe*. London: Palgrave Macmillan, 2006.
9. Landesmann, Michael, Richard Grieveson, Ioannis Gutzianas, Branimir Jovanović, and Olga Pindyuk. „Another Round of EU Enlargement: What Are the Economic and Institutional Must-Haves for Candidate Countries to Make Accelerated Enlargement Possible?" WIIW Policy Notes and Reports 102. Vienna: Vienna Institute for International Economic Studies, November 2025.
10. North, Douglass C. *Institutions, Institutional Change and Economic Performance*. Cambridge: Cambridge University Press, 1990.
11. Rajasalu, Teet. „Indicators of Economic Freedom and Economic Structure as Determinants of Growth and Convergence in Enlarging EU and Priorities for Estonia". In *Essays in Estonian Transformation Economics*, edited by Ьlo Ennuste and Lisa Wilder, 7-32. Tallinn: Estonian Institute of Economics and Tallinn University of Technology, 2003.
12. Schimmelfennig, Frank, and Ulrich Sedelmeier. „Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe". *Journal of European Public Policy* 11, no. 4 (2004).
13. Vachudova, Milada Anna. *Europe Undivided: Democracy, Leverage, and Integration after Communism*. Oxford: Oxford University Press, 2005.

7. PANEL

EU ENLARGMENT AND NEIGHBOURHOOD POLICIES –

National and Regional Case Studies

„EUROPEANISATION“ IN BULGARIAN ACADEMIC LITERATURE: 1993 - 2024

Assoc. Prof. Daniela Decheva, DSc

Assist. Prof. Lubomira Popova, PhD
ORCID: 0000-0001-5885-2298

Assoc. Prof. Mirela Veleva, DSc
Sofia University „St. Kliment Ohridski“

Abstract:

In international academic literature, the concept of Europeanisation refers to the parallel unfolding of a wide spectrum of interrelated processes associated with European integration – from cultural diffusion and societal transformation to the adaptation of norms, institutions, and behavioural models. The conceptual complexity of the term and the coexistence of multiple valid definitions have generated sustained scholarly interest worldwide. This analytical enthusiasm, however, is not sufficiently reflected in the Bulgarian academic tradition. Although Europeanisation gradually began to enter Bulgarian socio-political life after 1989., this field remains underexplored. The paper addresses this gap by presenting the first systematic analysis of the uses of Europeanisation in Bulgarian academic literature. Combining elements of content analysis and discourse analysis, implemented through a structured review and systematic coding of publications, we trace the evolution of research interest, identifies dominant thematic and disciplinary contexts, and analyses the definitional, discursive, and analytical roles assigned to the concept. The findings reveal the absence of a consolidated definition and demonstrate that Europeanisation functions less as a stable theoretical category and more as an open, multidimensional analytical framework employed to interpret diverse cultural, institutional, normative, and policy-related transformations.

Keywords: Europeanisation; EU integration; Bulgarian academic literature; content analysis; discourse analysis

Introduction

Since the 1990s, the concept of Europeanisation has become widely employed as an analytical tool in academic literature, particularly in studies of European integration and EU enlargement. In international scholarship, the term refers to

a broad range of interrelated processes associated with European integration, including cultural diffusion, societal transformation, and the adaptation of norms, institutions, policies, and behavioural patterns[1]. Despite the prominence of the concept in international academic debates, its reception within the Bulgarian academic tradition remains insufficiently explored.

This article addresses this gap by presenting the first systematic analysis of the uses of Europeanisation in Bulgarian academic literature. It traces the evolution of scholarly interest in the concept and examines the definitional, discursive, and analytical functions assigned to it by Bulgarian authors.

Methodology

The study combines elements of content analysis and discourse analysis to examine the uses of Europeanisation in Bulgarian academic literature. Given the relatively limited size of the corpus (54 publications covering the period 1993-2024), all identified publications employing the concept of Europeanisation were subjected to systematic coding. The coding framework was developed specifically for the purposes of the study and was informed by the major theoretical contributions to the Europeanisation literature.

The analytical framework captured both formal characteristics of the publications and substantive dimensions of concept usage. The coded categories included publication type, disciplinary field, thematic focus, definitions of Europeanisation, citation patterns, discursive uses, analytical functions of the concept, evaluations of Europeanisation, underlying causal logics, geographical positioning, and conceptual inconsistencies. While the coding scheme drew upon categories commonly used in international literature, it remained open to additional meanings and interpretations emerging from the Bulgarian context.

To ensure analytical consistency, coding decisions concerning definitions, discursive uses, and analytical functions were supported by textual evidence. In addition, a subset of the publications was coded independently by more than one researcher. The comparison revealed a very high degree of consistency, with discrepancies remaining below 3%. All divergent coding decisions were subsequently discussed and resolved collectively by the research team.

---

[1] Börzel, T. A., and T. Risse. 2000. „When Europe Hits Home: Europeanisation and Domestic Change". *European Integration Online Papers* 4 (15); Featherstone, K., and C. Radaelli, eds. 2003. *The Politics of Europeanisation*. Oxford: Oxford University Press; Radaelli, C. M. 2004. „Europeanisation: Solution or Problem?" In *European Union Studies*, edited by Michelle Cini and Angela K. Bourne. London: Palgrave Macmillan; Schimmelfennig, F., and U. Sedelmeier. 2005. *The Europeanisation of Central and Eastern Europe*. New York: Cornell University Press; Sedelmeier, U. 2011. „Europeanisation in New Member and Candidate States". *Living Reviews in European Governance* 6 (1); Exadaktylos, T., and C. Radaelli. 2012. *Research Design in European Studies*. Basingstoke: Palgrave Macmillan; Wunsch, N., and N. Olszewska. 2022. „From Projection to Introspection: Enlargement Discourses Since the 'Big Bang' Accession". *Journal of European Integration* 44 (7): 919-939.

Patterns of Use and Conceptualisations of Europeanisation

The analysis identified key patterns regarding the evolution, disciplinary distribution, conceptualisation, and analytical functions of Europeanisation in Bulgarian academic literature. The first set of findings concerns the frequency and distribution of the concept's use, as well as the meanings and definitions attributed to it.

Starting with a temporal overview, the earliest use of the concept of Europeanisation identified in Bulgarian academic literature dates from 1993. Prior to 2000, only a single publication employing the concept was identified, while between 2000 and 2004 its presence remained limited to one or two publications per year. Scholarly interest increased after 2004, coinciding with the completion of the EU's Eastern Enlargement and the accession of the Central and Eastern European countries. From that point onwards, interest remained relatively stable, although consistently modest, reaching a maximum of seven publications in a single year (2017).

A relatively small number of authors account for multiple publications on Europeanisation, while most contributions are represented by a single publication. In terms of publication type, the largest share consists of chapters in edited volumes (33), followed by monographs (8), conference papers (4), doctoral dissertations (3), studies (2), co-authored books (2), reviews (1), book chapters (1), and one edited collection.

Europeanisation appears most frequently in cultural, literary, and linguistic studies (17 publications), followed closely by political science (16). A notable temporal shift can nevertheless be observed. While cultural studies dominated until 2003, political science became the leading disciplinary context after 2005. Interdisciplinary social science publications constitute the third largest group (9). All other disciplines identified in the dataset – including history, economics, law, sociology, and philosophy – account for fewer than five publications each.

The concept is employed across a remarkably diverse range of thematic areas. A total of 32 thematic fields were identified, the most common being general policy-making frameworks (9 publications), agriculture and agricultural policy (6), and media studies (4). Beyond these dominant themes, Europeanisation appears in studies of security, international relations, education, intercultural communication, philosophy of culture, and the cultural transformation of scientific knowledge, among others. This thematic diversity suggests that the concept has travelled far beyond its original association with European integration and has become embedded in a wide variety of scholarly debates.

The analysis also revealed a considerable variation in the ways Europeanisation is conceptualised and defined. One of the most striking findings concerns the absence of explicit definitions. In more than 60% of the analysed publications, authors do not provide an explicit definition of Europeanisation. Thirty-two

publications contain no definition whatsoever, while three offer only implicit clarification. In most cases, therefore, the meaning of the concept is assumed rather than articulated.

Where definitions are provided, authors most frequently develop their own conceptualisations rather than relying on established definitions from the international literature. Only a limited number of publications employ or adapt existing definitions. This pattern further suggests the absence of a consolidated understanding of Europeanisation within Bulgarian academic scholarship.

The definitions that do appear vary considerably in both content and scope, making it difficult to identify a dominant interpretation of the concept. Rather than converging around a common meaning, the literature reveals multiple and often incompatible understandings of Europeanisation, differing substantially both across disciplines and within individual fields of study.

In historical research, for example, Europeanisation is used in its broadest sense to describe processes associated with the Bulgarian National Revival and modernisation[2], sometimes characterised as a form of „Balkan Enlightenment"[3]. At the same time, the concept is also employed to denote more specific phenomena, such as the spread of written painting manuals (hermeneiai), printed engravings, and epistolary practices, understood as indicators of the diffusion of new technologies and forms of communication.

In other studies, Europeanisation is conceptualised as a process of value socialisation. Examples include „the additional socialisation of European citizens" aimed at the preservation and development of original languages and cultures[4], or the „harmonious coexistence of different states and ethnic groups according to common principles"[5], „socialisation into values"[6], or the adaptation of behavioural patterns.[7]

Within media and public sphere research, Europeanisation is understood as a process through which „Europe" becomes increasingly visible and „national news

---

[2] Кацарски, И. 2004. „Хибриди (Личности, общества, култури в процес на модернизация)". В *От „Криворазбраната цивилизация" към криворазбрана европеизация*, 7-14. София: Фабер; Стоянович, П. 2022. *Фердинанд I и европеизацията на България, представена в избрани области на държавното управление и в обществото. 1861-1887-1912*. Пловдив: Фабер.

[3] Мутафов, Е. 2001. *„Европеизация на хартия": съчинения за живописта на гръцки език през първата половина на XVIII век*. София: ЕТ Аба.

[4] Пачев, А. 2007. *Езиковите общности в условията на европеизация и глобализация*. София: СемаРШ.

[5] Петрова, Емилия Илиева. *Европеизация и национална идентичност: Културни измерения*. София: Св. Иван Рилски, 2015.

[6] Петрова, Е. 2010. *Европеизацията като културен процес*. София: Св. Иван Рилски.

[7] Узлова, Л. З. 2010. *Поздрав от Европа: Пощенската картичка от края на XIX в. и началото на XX в. - индикатор за процесите на европеизация на българското общество и социокултурните измерения на промените: Архив на семейство Амирханянц, 1888 - 1950 г*. София.

agendas become synchronised with those of other European countries".[8] In political science, by contrast, the concept most frequently refers to the harmonisation of legislation,[9] the adoption of governance standards or the transformation of public policy-making in accordance with EU norms and standards.[10]

Taken together, these examples demonstrate that Europeanisation encompasses a remarkably broad spectrum of meanings, ranging from cultural and value-based transformations to legal, institutional, and discursive change. Rather than functioning as a single, stable concept, Europeanisation appears to operate as a multidimensional analytical framework through which diverse forms of social and political transformation are interpreted.

Among publications employing established or adapted definitions, the most frequently cited author is Radaelli,[11] referenced three times, Börzel and Risse,[12] and Ladrech[13] are each cited twice, while references to other authors appear only sporadically.

Discursive Uses of Europeanisation

The diversity identified in the analysis of definitions becomes even more pronounced when examining the discursive uses of Europeanisation. The concept appears across a wide range of discursive contexts, frequently extending beyond the categories initially anticipated by the coding framework.

Several discursive uses could not be accommodated within the predefined categories, indicating that Europeanisation functions as a flexible interpretative framework. In some publications, it is associated with a processes of actor empowerment[14] or conceptualised through spatial understandings of Europe[15],

---

[8] Ковачева, Р. 2015. „Европеизация и периферизация на българската публична сфера: сравнителен анализ на медийното отразяване на изборите за Европейски парламент (май 2014) в най-четените сайтове на вестници в България и Великобритания". *Годишник на Софийския университет „Св. Климент Охридски". Факултет по журналистика и масова комуникация* 22: 71-92.

[9] Бъчварова, М. 2000/2001. „Акционерното дружество и процесът на европеизация на търговското законодателство". *Известия на Съюза на учените - Варна. Серия „Хуманитарни науки"* 1-2: 151-154.

[10] Димитров, Г. 2021. *Как така България стана член на ЕС? (Национален тест за разширителната политика на ЕС)*. София: Университетско издателство.

[11] Radaelli, C. M. 2004. „Europeanisation: Solution or Problem?" In *European Union Studies*, edited by Michelle Cini and Angela K. Bourne. London: Palgrave Macmillan

[12] Börzel, T. A., and T. Risse. 2000. „When Europe Hits Home: Europeanisation and Domestic Change". *European Integration Online Papers* 4 (15);

[13] Ladrech, Robert. 1994. „Europeanisation of Domestic Politics and Institutions: The Case of France". *Journal of Common Market Studies* 32(1): 69-88.

[14] Димитров, Н. 2017. „Отглеждането на застрашени от изчезване местни породи в европеизираща се България: фактори, стратегии, наративи". *Български фолклор* 2: 160-186.

[15] Симеонова, В. 2017. „Трансфер на европейски дискурс за пространствено планиране в България: национална концепция за пространствено развитие". *Eastern Academic Journal* 3: 66-77.

demonstrating the concept's capacity to acquire meanings that transcend conventional theoretical approaches.

The analysis demonstrates that Europeanisation is employed most frequently within the cultural discourse, followed by institutional, normative, pragmatic, and strategic (geopolitical) discourses. Cultural interpretations commonly portray Europeanisation as a process of civilisational, anthropological, or cultural transformation. Illustrative examples include descriptions of Europeanisation as „above all an anthropological process" that transforms not only institutions and the economy, but also individuals' attitudes, perceptions of time, modes of communication, and experiences of the world.[16] Other authors associate successful Europeanisation with broader cultural change, arguing that institutional reforms may prove ineffective without corresponding transformations in societal values and behavioural patterns.[17] Similar interpretations appear in media studies, where Europeanisation is discussed in relation to cultural change and the transformation of public discourse[18].

The second most frequent discursive field is the institutional discourse. Here, Europeanisation is primarily associated with institutional adaptation, administrative transformation, and political reform. For example: „changes in the model do not stem from changes within individual member states, but rather from their interaction"[19], and „the Europeanisation of institutional culture is, to a considerable extent, 'Bulgarianised'" [20]. In this understanding, Europeanisation is closely linked to the transformation of political and administrative structures.

Normative understandings constitute the third most frequent discursive field. Here Europeanisation is conceptualised as the diffusion, internalisation, and convergence of norms, values, and standards. Authors stress that Europeanisation involves not merely the transfer of formal rules, but also their incorporation into domestic social environments.[21] Other studies link Europeanisation to the reform of economic and social models in response to globalisation[22] or to broader processes of professionalisation and transformation among political elites.[23]

---

[16] Петрова, Е. 2010. *Европеизацията като културен процес.* София: Св. Иван Рилски.

[17] Бобчева, Н. 2002. „Европеизация на българската администрация." *Публична администрация* 1: 78-85.

[18] Спасов, О. 2017. „Трудната европеизация: българските медии в контекста на ЕС". *Социологически проблеми* 1-2: 165-185.

[19] Стойчев, С. 2015. „Парламентарният елит в България 1990-2010: професионализация, европеизация и регионализация". *Политически изследвания* 1-2: 157-184.

[20] Димитров, Г. 2021. *Как така България стана член на ЕС? (Национален тест за разширителната политика на ЕС).* София: Университетско издателство.

[21] Попова, Л. 2020. *Опитът от подготовката на България за членство в ЕС като ресурс за подобряване на политиката на разширяване.* София: Университетско издателство.

[22] Попов, Н. 2006. *Глобализация и европеизация - интегративни връзки и предизвикателства.* Дисертация.

[23] Стойчев, С. 2015. „Парламентарният елит в България 1990-2010: професионализация, европеизация и регионализация". *Политически изследвания* 1-2: 157-184.

The pragmatic discourse ranks fourth in frequency. Here, Europeanisation is primarily understood in practical and policy-oriented terms, including legislative harmonisation, compliance with accession requirements, policy implementation, and access to EU funding. An example of such usage is: „although, in principle, compliance with the standards of Europeanisation, outlined in highly abstract terms in the rather vague Copenhagen criteria, is expected to constitute a prerequisite prior to the conduct of accession negotiations with the Union“[24]. The dominant uses within this group relate to the adaptation of national legislation to EU requirements,[25] and the influence of European financial instruments and funding mechanisms.[26]

Strategic or geopolitical interpretations represent the least frequent of the predefined discursive fields. These understandings frame Europeanisation in terms of national interests, geopolitical positioning, and regional integration. In this perspective, Europeanisation is associated with the integration of Balkan countries into European structures of cooperation,[27] the consolidation of Bulgaria as a stable and independent state within the European system,[28] or broader debates concerning the relationship between Europeanisation, enlargement, and national strategic interests.[29]

Analytical Functions, Evaluations, and Geographical Scope

In the analysed texts, „Europeanisation“ is used in a variety of analytical contexts. In most texts (70%), Europeanisation is understood as a process. Significantly less frequently (26%), but with equal frequency, the concept appears in the sense of a) a prerequisite, a condition for achieving certain results; b) a stated ultimate goal; c) interaction between actors or institutions. Europeanisation as a result appears in 19% of cases. The term is least frequently encountered in the sense of a mechanism for achieving a certain goal (9%), a state (5.5%), or a stage (3.7%).

In nearly half of the texts, „Europeanisation“ is used polysemically. Thus, within a given academic text, it can be understood as a process and interaction between actors, but at the same time as a factor, or even as the goal of this process. This diverse usage does not necessarily indicate a contradiction or

---

[24] Димитров, Г. 2021. *Как така България стана член на ЕС? (Национален тест за разширителната политика на ЕС)*. София: Университетско издателство.

[25] Спасов, О. 2017. „Трудната европеизация: българските медии в контекста на ЕС“. *Социологически проблеми* 1-2: 165-185.

[26] Тонева-Методиева, Л. 2017. *Гражданско участие и медиен дебат в условията на членство в ЕС: (не)очаквани траектории на европеизацията*. София.

[27] Цачевски, В. 2010. *България и Балканите: Европеизацията не е завършила*. София: Изток-Запад.

[28] Стоянович, П. 2022. *Фердинанд I и европеизацията на България, представена в избрани области на държавното управление и в обществото. 1861-1887-1912*. Пловдив: Фабер.

[29] Велева, М. 2021. „Подкрепа/съпротива за присъединяването на България към Европейския съюз - в контекста на политиката на разширяване“. *Политически изследвания* 1-2: 254-275.

inconsistency in the author's analysis, but rather an attempt to capture the complex and multifaceted nature of the concept of Europeanisation. Some of the researchers use it in meanings different from those listed above. For example, in Emilia Petrova's cultural studies article, „Europeanisation functions as an analytical prism for understanding cultural and communicative processes in the contemporary era", but also as a „process of self-understanding" and self-construction, an „internal experience" in which one finds „a new way of being oneself in dialogue with others".[30] A special case is the anthology edited by Maxim Mizov,[31] in which the term „Europeanisation" appears only in the title; in the actual texts, Europeanisation is treated as equivalent to European integration and is not used at all as a concept.

The extent to which Europeanisation has been successful is a question to which nearly half of the authors do not provide an explicit answer. The rest assess its outcome based on a variety of empirical measures, in most cases quantitative or observable indicators. These may include, for example, the stability of the political system, analysed through support for Eurosceptic parties and the presence of stable cleavages,[32] or through the manner in which public policies are implemented.[33] Other indicators can be the role of the European Commission in the constant monitoring of candidate countries, which is reflected in the annual progress reports on each candidate country;[34] the 2008 European Values Study; the government report on the implementation of the National Youth Strategy by 2014; The USAID Civil Society Sustainability Index from 2006 and many others;[35] in-depth public reforms and the involvement of civil society in the process of European integration;[36] the existence of infringement procedures by the EC/MSF;[37] the degree to which major political parties align with EU policies on the eve of elections; political struggles and the behaviour of political parties and other candidates in the European Parliament election campaign; voter turnout and electoral volatility of political preferences within the elections themselves; the degree of political represen-

---

[30] Петрова, Е. 2010. *Европеизацията като културен процес*. София: Св. Иван Рилски.

[31] Мизов, М. 2003. *Глобализация - Европеизация - Национална държава*. София: Център за исторически и политологически изследвания.

[32] Стойчев, С. 2010. *Европеизация на представителния елит в България: измерения и ефекти*. Дисертация за присъждане на образователна и научна степен „доктор".

[33] Димитров, Г. 2021. *Как така България стана член на ЕС? (Национален тест за разширителната политика на ЕС)*. София: Университетско издателство.

[34] Плачкова, А. 2018. „Демокрация и върховенство на правото в процеса на подготовка за членство в ЕС - случаят с България, Сърбия и Македония". *Социологически проблеми* 1: 413-431.

[35] Тонева-Методиева, Л. 2017. *Гражданско участие и медиен дебат в условията на членство в ЕС: (не)очаквани траектории на европеизацията*. София.

[36] Попова, Л. 2020. *Опитът от подготовката на България за членство в ЕС като ресурс за подобряване на политиката на разширяване*. София: Университетско издателство.

[37] Велева, М. 2021. „Подкрепа/съпротива за присъединяването на България към Европейския съюз - в контекста на политиката на разширяване". *Политически изследвания* 1-2: 254-275.

tation in the Eurosceptic camp[38] and many others, depending on the specific research questions and subjects.

The question of who is driving the initiative and what the main motivation is in the process of Europeanisation is not addressed in 31% of cases. Roughly an equal share views it rather as external pressure or a condition imposed by the EU (20%) or, in a better interpretation, as a result of mutual interest, i.e., as a partnership between the EU and Bulgaria (24%). A relatively small part of the texts (11%) identifies Bulgarian institutions or society as the initiators of Europeanisation or its main driving force.

In geographical terms the texts show a clear trend toward local research interest. In most texts (60%), the focus is solely on Bulgaria; significantly fewer (17%) address the topic in the context of the Balkans, and only 9% consider Bulgaria as part of Central and Eastern Europe. Only two of the analysed texts address Europeanisation as a shared path for Bulgaria and Romania. In about 16%, Europeanisation is examined from a pan-European perspective, without specifying individual countries or regions. This pan-European perspective is particularly logical, for example, in Emanuel Mutafov's book,[39] which covers the period of the late Ottoman Empire and serves as a striking example of how the issue of Europeanisation, in both disciplinary and temporal terms, far exceeds the boundaries of political science and the decades of European integration.

Conclusion

The analysis shows that the concept of Europeanisation in Bulgarian academic literature is used in an exceptionally broad and multifaceted way, encompassing cultural, institutional, normative, pragmatic, and geopolitical dimensions. The diversity of definitions, discursive uses, and analytical functions reflects both the variety of academic disciplines and the complexity of the social and political transformations associated with European integration.

The study fills a significant gap in research on Europeanisation in the Bulgarian context by systematically mapping existing publications, identifying key discursive fields and analytical functions, and providing a foundation for future research. In this sense, it contributes to broader comparative debates on the evolution and uses of Europeanisation as an analytical concept.

---

[38] Христова-Вълчева, К. 2019. „(Не)възможната европеизация на изборите за Европейски парламент в България - опит за равносметка". *Политически изследвания* 1-2: 23-40.

[39] Мутафов, Е. 2001. *„Европеизация на хартия": съчинения за живописта на гръцки език през първата половина на XVIII век.* София: ЕТ Аба.

References

1. Börzel, T. A., and T. Risse. 2000. „When Europe Hits Home: Europeanisation and Domestic Change". *European Integration Online Papers* 4 (15).
2. Exadaktylos, T., and C. Radaelli. 2012. *Research Design in European Studies*. Basingstoke: Palgrave Macmillan.
3. Featherstone, K., and C. Radaelli, eds. 2003. *The Politics of Europeanisation*. Oxford: Oxford University Press.
4. Ladrech, Robert. 1994. „Europeanisation of Domestic Politics and Institutions: The Case of France". *Journal of Common Market Studies* 32(1): 69-88.
5. Radaelli, C. M. 2004. „Europeanisation: Solution or Problem?" In *European Union Studies*, edited by Michelle Cini and Angela K. Bourne. London: Palgrave Macmillan.
6. Schimmelfennig, F., and U. Sedelmeier. 2005. *The Europeanisation of Central and Eastern Europe*. New York: Cornell University Press.
7. Sedelmeier, U. 2011. „Europeanisation in New Member and Candidate States". *Living Reviews in European Governance* 6 (1).
8. Wunsch, N., and N. Olszewska. 2022. „From Projection to Introspection: Enlargement Discourses Since the 'Big Bang' Accession". *Journal of European Integration* 44 (7): 919-939.
9. Бобчева, Н. 2002. „Европеизация на българската администрация." *Публична администрация* 1: 78-85.
10. Божков, И. 2018. *Европеизация и евроинтеграция на Ветеринарномедицинската служба в България (1881-2018): генезис, развитие, съвременни проблеми*. София: Българска агенция по безопасност на храните / Център за оценка на риска по хранителната верига към МЗХГ.
11. Бъчварова, М. 2000/2001. „Акционерното дружество и процесът на европеизация на търговското законодателство". *Известия на Съюза на учените - Варна*. *Серия „Хуманитарни науки"* 1-2: 151-154.
12. Велева, М. 2021. „Подкрепа/съпротива за присъединяването на България към Европейския съюз - в контекста на политиката на разширяване". *Политически изследвания* 1-2: 254-275.
13. Димитров, Г. 2021. *Как така България стана член на ЕС? (Национален тест за разширителната политика на ЕС)*. София: Университетско издателство.
14. Димитров, Н. 2017. „Отглеждането на застрашени от изчезване местни породи в европеизираща се България: фактори, стратегии, наративи". *Български фолклор* 2: 160-186.
15. Кацарски, И. 2004. „Хибриди (Личности, общества, култури в процес на модернизация)". В *От „Криворазбраната цивилизация" към криворазбрана европеизация*, 7-14. София: Фабер.
16. Ковачева, Р. 2015. „Европеизация и периферизация на българската публична сфера: сравнителен анализ на медийното отразяване на изборите за Европейски парламент (май 2014) в най-четените сайтове на вестници в България и Великобритания". *Годишник на Софийския университет „Св. Климент Охридски". Факултет по журналистика и масова комуникация* 22: 71-92.

17. Мизов, М. 2003. *Глобализация - Европеизация - Национална държава*. София: Център за исторически и политологически изследвания.

18. Мутафов, Е. 2001. *„Европеизация на хартия": съчинения за живописта на гръцки език през първата половина на XVIII век*. София: ЕТ Аба.

19. Пачев, А. 2007. *Езиковите общности в условията на европеизация и глобализация*. София: СемаРШ.

20. Петрова, Е. 2010. *Европеизацията като културен процес*. София: Св. Иван Рилски.

21. Петрова, Емилия Илиева. *Европеизация и национална идентичност: Културни измерения*. София: Св. Иван Рилски, 2015.

22. Плачкова, А. 2018. „Демокрация и върховенство на правото в процеса на подготовка за членство в ЕС - случаят с България, Сърбия и Македония". *Социологически проблеми* 1: 413-431.

23. Попов, Н. 2006. *Глобализация и европеизация - интегративни връзки и предизвикателства*. Дисертация.

24. Попова, Л. 2020. *Опитът от подготовката на България за членство в ЕС като ресурс за подобряване на политиката на разширяване*. София: Университетско издателство.

25. Сивов, В. 2002. „Национална идентичност, глобализация и европеизация". *Международни отношения* 31 (3): 25-44.

26. Сивов, В. 2005. „Глобализация и европеизация - трансформация на международните структури". *Международна политика*.

27. Симеонова, В. 2017. „Трансфер на европейски дискурс за пространствено планиране в България: национална концепция за пространствено развитие". *Eastern Academic Journal* 3: 66-77.

28. Спасов, О. 2017. „Трудната европеизация: българските медии в контекста на ЕС". *Социологически проблеми* 1-2: 165-185.

29. Стойчев, С. 2010. *Европеизация на представителния елит в България: измерения и ефекти*. Дисертация за присъждане на образователна и научна степен „доктор".

30. Стойчев, С. 2015. „Парламентарният елит в България 1990-2010: професионализация, европеизация и регионализация". *Политически изследвания* 1-2: 157-184.

31. Стоянович, П. 2022. *Фердинанд I и европеизацията на България, представена в избрани области на държавното управление и в обществото. 1861-1887-1912*. Пловдив: Фабер.

32. Тонева-Методиева, Л. 2017. *Гражданско участие и медиен дебат в условията на членство в ЕС: (не)очаквани траектории на европеизацията*. София.

33. Узлова, Л. З. 2010. *Поздрав от Европа: Пощенската картичка от края на XIX в. и началото на XX в. - индикатор за процесите на европеизация на българското общество и социокултурните измерения на промените: Архив на семейство Амирханянц, 1888-1950 г.* София.

34. Христова-Вълчева, К. 2019. „(Не)възможната европеизация на изборите за Европейски парламент в България - опит за равносметка". *Политически изследвания* 1-2: 23-40.

35. Цачевски, В. 2010. *България и Балканите: Европеизацията не е завършила*. София: Изток-Запад.

TERRITORIAL INTEGRITY IN THE WESTERN BALKANS IN TIMES OF RUSSIAN AND AMERICAN NEO-IMPERIALISM

Assoc. Prof. Christopher Walsch, D.Sc.
Department of International Relations, Institute of Global Studies, Corvinus University of Budapest, Hungary
ORCID: 0000-0003-3748-2757

Abstract:

This article contributes to debates about the geopolitical positioning of the six states in the Western Balkans (WB). All of them aspire to join the European Union (EU). Since the 1990s the United States (US) and the EU have been the decisive external actors ensuring security and stability. However, this established order in the region is being challenged by revisionist Serbian nationalism, which has found a powerful external ally in Putin's Russia. In the competition for influence WB governments face challenges. The EU offers long-term integration and a generous support package, but it demands decisive reforms. In the context of the new neo-imperialism of the 2020s, Putin's Russia and Trump's US offer alternatives to ruling elites which question the recognized territorial order in the WB region. Using a process-tracing method based on primary documents and research literature in EU integration studies, this article analyses the trade-offs of the WB's relationships with these decisive actors.

Keywords: Western Balkans, territorial integrity, neo-imperialism, EU enlargement, Serbia

The Western Balkans (WB) are a peripheral region in the southeast of the European continent. The six WB states are Serbia, Bosnia and Herzegovina, North Macedonia, Montenegro, Albania, and Kosova/Kosovo (subsequently: Kosovo). All of them are small countries. Between 16 and 17 million people live in the WB region. Nearly half of them live in Serbia. The gross domestic product (GDP) of the WB-6 is minimal compared to the EU. The total GDP of the six states is one percent of the EU-27's total GDP. In terms of purchasing power parity, a WB state ranks at roughly one third of the EU, lagging behind even the poorest EU states whose GDP is half of the EU's average. The six states have been European Union (EU) candidate countries since the early 2000s. They

border Balkan peninsula states that have been EU members since 1981 (Greece, to the south), 2007 (Romania and Bulgaria, to the east), and 2013 (Croatia, to the north and west). Today these four EU states are members of the Schengen zone of free travel, and all but Romania adopted the euro. Geopolitically, the six WB states could have been EU member states for many years, as they are surrounded by the EU. However, thus far, all have failed to meet EU conditions.

All six states are closely interconnected with the EU, both economically and socially. Through the Stabilization and Association Agreements the WB-6 countries have committed to aligning their national legislation with EU requirements. This is an extensive and arduous process for the legislators and national administrations responsible for implementing the reforms. The EU plays a decisive role in facilitating the mutual recognition of these reforms by the WB states, thus establishing the Common Regional Market, which is a stepping stone to joining the EU's Single Market.

This article discusses how the Western Balkans, a fragile and peripheral European region, navigate a volatile geopolitical situation. On the verge of EU membership yet facing the risk of perpetual candidacy, the article explores perspectives on political and economic development. Section one explains why the Western Balkans have not fully integrated into the EU over the last two decades. Section two discusses two newer EU strategies: „gradual integration" and a growth plan for the WB region. These strategies can be interpreted as the EU's response to a geopolitical environment in which competing powers vie for influence. Sections three and four discuss the impact of two decisive external actors, Russia and the United States of America. They explain how Russian and American neo-imperialism interconnect with Serbian revisionist nationalism. Do these partners offer attractive alternatives to EU integration? If so, for whom? The conclusions will synthesize these themes and articulate the long-term dynamics of the WB's development. The key term 'neo-imperialism' refers to the willingness to use force to achieve political objectives. Both Putin's Russia and Trump's US have often demonstrated that they use violence as a standard political practice, despite this clearly breaching United Nations principles.

The article presents two hypotheses. The first states that, for respective WB states and societies to secure peace and long-term economic development, European integration is the most sensible option. The second hypothesis posits that if WB governments adhere to peaceful conflict resolution mechanisms and the EU actively engages, the WB region will be too insignificant for the US and too distant from Russia's core interests to be directly affected by their varieties of neo-imperialism. Methodologically, the article uses a classic process-tracing approach, analysing historic events, primary documents, and research literature. Conceptually, the research literature comes from three fields – EU enlargement, EU economic integration, and small state studies. Along an implicit temporal line, the article aims to explain how processes unfolded. It attempts to accurately evaluate the current position of the six small states on the periphery of Europe during times of geopolitical turbulence.

1. The Western Balkan states in the eternal EU waiting room

Both academic and political debates have highlighted the internal and external factors that have kept the six Western Balkan states in a state of limbo for over twenty years.[1] Many authors emphasize the role of external factors in causing the process to stall. The argument is that the EU has clearly committed itself to the integration of the remaining WB states, as set out in the 2003 Thessaloniki Declaration by the EU and WB heads of government.[2] However, negative experiences surrounding the accession of Romania and Bulgaria in relation to the rule of law resulted in the EU tightening its accession criteria significantly by 2010, a policy known as the „new approach." The ongoing global financial, economic, and sovereign debt crises caused EU governments and citizens to focus on domestic issues, thereby placing enlargement on the back burner.

For many observers, the multiple crises of the 2010s are the main cause of „enlargement fatigue." EU negligence towards the region reached a peak when the newly elected Commission President, Jean-Claude Juncker, stated that „no enlargement" would take place during his term from 2014 to 2019. Russian aggression against Crimea and eastern Ukraine in 2014, the influx of refugees to the EU in 2015 and beyond, Islamic terrorism in Western European capitals, and the outcome of the Brexit referendum have all made EU states' electorates more sceptical and their decision-makers more reluctant to admit new members in the near future.

However, Russia's invasion of Ukraine in early 2022 was a „turning point" in enlargement policies. Putin's attack on the established international order brought geopolitical considerations to the fore.[3] In order to tie the WB states closer to the EU, the EU increased budgets for pre-accession and economic growth considerably. Similarly, Russia continues to carefully court Serbian and Bosnian Serbian political leaders of autocratic inclination and with revisionist ambitions. The second Trump administration is forcefully executing another epochal shift in international politics. The U.S. is turning away from the principle of prohibiting the use of force, to which all United Nations members are legally bound. Thus, Trump „takes" whatever serves his business and long-term global strategic interests. US military action against Venezuela and Iran is about controlling oil resources, tightening the grip on Cuba and weakening the global competitor China. Sections three and four will discuss the importance of the WB region to neo-imperialists Putin and Trump and their business partners.

---

[1] For an overview on EU enlargement policies see Ana Juncos and Nieves Pérez-Solórzano Borragán, „European Union Enlargement," in *European Union Politics*, ed. Michelle Cini and Nieves Pérez-Solórzano Borragán (Oxford University Press, 2025), 255-270.

[2] European Commission, „EU-Western Balkans Summit Thessaloniki, 21 June 2003, Declaration", *European Commission* (2003), https://ec.europa.eu/commission/presscorner/detail/en/pres_03_163.

[3] For repercussions in the Western Balkans see debates in Jelena Džankić, Simonida Kacarska, Soeren Keil, eds., *A Year Later: War in Ukraine and Western Balkan (Geo)Politics* (European University Institute, 2023), https://cadmus.eui.eu/bitstream/handle/1814/75524/QM-03-23-131-EN-N.pdf?sequence=1&isAllowed=y.

Rather than emphasising external factors, European Commission reports highlight internal factors that better explain why Western Balkan states have made little progress towards EU membership in recent decades. Deficiencies in fundamental areas such as the rule of law and basic rights prevent the candidate states from meeting the necessary criteria. Consequently, reporting has consistently focused on themes addressing the fundamental principles of a constitutional state.[4] The EU's criticism is valid for all six WB states, four of which are mentioned in this paragraph and two in more detail. Blagovčanin analyses Bosnia and Herzegovina, describing it as a „captive state," in which elites can control institutions and resources, including the judiciary and public procurement, despite having been elected democratically.[5] Political parties in power distribute public sector jobs based on loyalty and establish extensive networks of clientelism. This is why the country scores so low in indices of independent observer organizations such as Transparency International. Similarly, WB states where one party rules through several election cycles also score low. In the past, this could be said of Montenegro under Milo Đukanović and his Democratic Socialist Party. Today, the same is true of Albania's prime minister Edi Rama and his Socialist Party. The most severe case is Serbia, where Aleksandar Vučić's regime and his Serbian Progressive Party have faced mass protests for over one and a half years following a construction site accident in November 2024 that cost sixteen lives and could have been avoided.

2. Gradual integration and a growth plan as the EU's reaction to the impasse

In response to the near standstill of the enlargement agenda and criticism from WB actors, the European Commission presented a „revised" methodology that allowed for more flexibility.[6] The 33 negotiating chapters were reorganized into six thematic clusters. The focus on the rule of law remains, as all negotiations must still open and close with the „fundamentals" chapters (now in the corresponding cluster). What is new is that the fundamentals, whose standards and benchmarks the EU could define exclusively, no longer function as exclusive

---

[4] European Commission, „2024 Communication on EU Enlargement Policy COM (2024) 690 final", *European Commission* (October, 2024), https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-10/eu_accession_process_clusters%20%28oct%202022%29.pdf as well as European Commission, „2025 Communication on EU Enlargement Policy COM (2025) 690 final", *European Commission* (November, 2025), https://enlargement.ec.europa.eu/document/download/eb69a890-40d6-4696-801e-612d51709fdd_en?filename=2025%20Communication%20on%20EU%20Enlargement%20Policy.pdf.

[5] Srđan Blagovčanin, „Post-Conflict Dystopia. Captive State and Society - The Case of Bosnia and Herzegovina", *Transparency International* (2024), https://ti-bih.org/wp-content/uploads/2024/02/POST-CONFLICT-DYSTOPIA-CAPTIVE-STATE-AND-SOCIETY.pdf.

[6] For a debate see Ivana Radić Milosavljević and Spasimir Domaradzki, „The EU's raison d'état in the Western Balkans: can the new enlargement methodology help?," *Međunarodni Problemi - International Problems* LXXIV, no. 3 (2022): 391-410, https://doi.org/10.2298/MEDJP2203391R.

gatekeepers. This means that the five clusters – the single market, inclusive growth, green transformation, agriculture and cohesion, and external relations – can be opened and worked on in parallel. Progress in each specific area (i.e., each „chapter" within each cluster) can lead to accelerated integration and funding.

This new dynamic is evident in the debates, issues, budgets and recent achievements.[7] Academics have suggested ways to translate this flexibility into concrete policies, recommending a gradual approach to membership. An influential early contribution referred to this as „staged" accession.[8] This approach suggests the candidate becoming more involved in the relevant EU policy area prior to formal membership. Gradualism means that the candidate reforms legislation and policies in order to be capable to participate in the internal market, for example. In return, the EU rewards the candidate's efforts by involving them immediately in that policy area and polity, and subsequently integrating them. This pragmatic approach mainly focuses on integrating the economies of the Western Balkans into the EU's Single Market.[9]

The EU's latest achievement is the creation of a budget for this purpose. In a short timeframe, the EU mobilised six billion euro for the period 2024-2027. The „New Growth Plan for the Western Balkans" functions as an incentive for „countries to accelerate the adoption and implementation of the *acquis*."[10] The plan includes support for seven priority actions to facilitate integration into the EU Single Market, as well as substantial investment budgets for energy and transport infrastructure. Alongside this new facility, the established Instrument for Pre-Accession Assistance (IPA III, 2021-27, with a budget of 14 billion euro) is also operational. Both the New Growth Plan and the third version of IPA are organised around the six thematic clusters (fundamentals plus the five clusters mentioned above).

The candidates have subsequently been included more quickly in the political, economic, and administrative processes. The European Commission approved the reform agendas of each WB state in a short time frame by 2024 (Bosnia and Herzegovina's was delayed and approved in 2025). Consequently, the plan entered the implementation phase immediately under the more technical and budget related term „Reform and Growth Facility". Additionally, from 2024, the four most advanced candidate countries were included in the

---

7 See the aforementioned European Commission reports for 2024 and 2025 in footnote 4.

8 Michael Emerson et al., „A template for Staged accession to the EU", *Centre for European Policy Studies* and *European Policy Centre* (October 2021), https://cdn.ceps.eu/wp-content/uploads/2021/10/A-Template-for-Staged-Accession-to-the-EU.pdf.

9 Peter Becker and Barbara Lippert, „Acceding Countries' Gradual Integration into the EU Single Market", *German Institute for International and Security Affairs* (September 2024), https://www.swp-berlin.org/publications/products/comments/2024C42_Gradual_Integration.pdf.

10 European Commission, „New growth plan for the Western Balkans COM (2023) 691 final," *European Commission* (November 2023), https://neighbourhood-enlargement.ec.europa.eu/document/download/8f5dbe63-e951-4180-9c32-298cae022d03_en?filename=COM_2023_691_New%20Growth%20Plan%20Western%20Balkans.pdf, 3.

EU's annual „Rule of Law Report", which is published annually for all EU member states. This report underlines that the „fundamentals" are the most important cluster and that the EU is prepared to treat candidate states in the same reporting schemes as members.[11] Summits and high-level meetings have become more frequent. The WB states are also present in the European Political Community format, which holds summits twice a year. The sixth summit, held in Tirana in May 2025, was hosted by Albania. Co-operation in the Berlin Process format is intensifying and aligning with the agendas of the growth plan. The tenth anniversary meeting of the Berlin Process in 2024 demonstrated this revitalisation process.[12] The annual EU-WB summit held during the December European Council produced more substantial results than previous meetings. This is evident in the „Brussels Declaration", which was issued in December 2024.[13] Reinforced EU engagement yields results. Cross-border trade within the region doubled in the first half of the 2020s, and growth averaged at three percent, partly thanks to EU-co-funded investments.[14] Whether this activism will encourage lasting reforms, remains to be seen. Many authors observe that for the goal of profound transformation and Europeanisation in acceding countries has not yet been reached and urge more decisive reforms of the principles of enlargement policy.[15]

3. Revisionist Serbia in times of Putin's regional neo-imperialism

This section turns to Serbia, the key country in the WB area. In a world dominated by geopolitical rivalry, one should consider the influence of Russia, the US and China, which can offer alternatives to a strong connection with the EU.[16] Since 2000, successive democratic Serbian governments have adopted a pro-European stance. The country soon became not only an EU candidate, but also a frontrunner thanks to its relative advantages in the WB region. At

---

[11] European Commission, „2024 Rule of Law Report - Communication and country chapters", *European Commission* (July 2024), https://commission.europa.eu/publications/2024-rule-law-report-communication-and-country-chapters_en.

[12] For details on the Berlin Process see Christina Griessler, „The Berlin Process. Bringing the Western Balkan Region Closer to the European Union", *Südosteuropa* 68, no. 1 (2020): 1-24.

[13] European Council, „Brussels Declaration. EU-Western Balkans Summit", *European Council* (December 2024), https://www.consilium.europa.eu/media/wvld5ka1/brussels-declaration-2024-en.pdf.

[14] Ursula von der Leyen, „Statement following the EU-Western Balkans Summit", *Directorate-General for Enlargement and Eastern Neighbourhood* (December 17, 2025), https://enlargement.ec.europa.eu/news/statement-president-von-der-leyen-following-eu-western-balkans-summit-2025-12-17_en.

[15] Lubomira Popova, „The EU enlargement policy in the process of transformation: moving forward from declarative promises to strategic goals?", in *The Agenda of the New EU Institutional Cycle. Papers from the Eleventh International Scientific Conference of the European Studies Department*, ed. Kaloyan Simeonov and Mariya Yurukova (Sofia, 2024).

[16] Dimitar Bechev, „The EU's Waning Attractiveness", *Carnegie Europe* (June 2025), https://carnegieendowment.org/research/2025/06/the-eus-waning-attractiveness?lang=en&center=europe.

the same time, however, Serbia has maintained a privileged relationship with Russia based on „Slavic brotherhood", a shared belief rooted in a common Slavic identity and orthodox Christianity. This entails an uncompromising rejection of the state of Kosovo, home to Serb orthodox monasteries that played a key role of the church. Since the 2010s, Serbia has developed a multi-vector foreign policy that aims to engage with and benefit from several external actors: Russia, the EU, the US, and increasingly, China. Serbian President Aleksandar Vučić links this outreach to the „Serbian World" (Srpski Svet) revisionist nationalist agenda in his domestic ideological positioning. Serbian World is modelled on the „Russian World" (Russkiy Mir) concept, a political doctrine that defines Serbia's sphere of military, political and cultural influence.[17] Historically, the Serbian World concept is similar to the Greater Serbia ideology of Slobodan Milošević, the *spiritus rector* of the war and of war crimes in former Yugoslavia.

The consequences of expansionist Serbian nationalism are evident in three neighbouring states where Serbs live. In 2024, Milorad Dodik, the Bosnian Serb leader, and Aleksandar Vučić, acting on behalf of their respective governments, signed the „All-Serbian Declaration" on cooperation between Republika Srpska (the Serb entity of Bosnia and Herzegovina) and Serbia. The document is officially titled „Declaration on the Protection of National and Political Rights and the Joint Future of the Serb People."[18] Seven weeks later, on 31 July 2024, the Serbian parliament confirmed the decision and adopted the declaration by an overwhelming majority. In Montenegro, the Serbian World ideology contributes to a deeply ingrained dual identity, exacerbating rifts in Montenegrin society and its orthodox church.[19] In northern Kosovo, the dominant Serb party, Serb List, is closely connected to Vučić and his Serbian Progressive Party. On 24 September 2023, Milan Radoičić, the deputy leader of the Serb List party, led a violent attack on the Kosovo police in Banjska/Banjskë, close to the Serbian border. Vučić was aware of this and had amassed troops on the Serbian side in order to intervene if feasible.[20] The Kosovo police immediately controlled the situation and were later supported by KFOR, the international Kosovo force.

Putin's neo-imperialist Russia backs Vučić's Serbia because of their shared Slavic nationalism and revisionist agendas. This support is evident in four areas. First, politically, Russia firmly supports Serbia within multilateral organisations,

---

[17] Armina Galijaš, *Russkij mir I srpski svet. Ideje, projekti, ratovi* [Russian World and Serbian World. Ideas, Projects, Wars] (Srednja Europa, 2026).

[18] Declaration on the Protection of National and Political Rights and the Joint Future of the Serb People, English translation, *Voltaire Network* (June 2024), https://www.voltairenet.org/article221009.html.

[19] Kenneth Morrison and Vesko Garčević, „The Orthodox Church, Montenegro, and the 'Serbian World'," *Atlantic Initiative* (January 2023), https://atlanticinitiative.org/wp-content/uploads/2023/02/SPC-WEB.pdf.

[20] Republic of Kosova, „Preliminary Report. Initial Analysis of Serbia's Paramilitary Aggression on Kosova", *Helsinki Committee for Human Rights in Serbia* (October 20, 2023), https://helsinki.org.rs/doc/Preliminary%20Report%20Serbias%20Aggression%20on%20Kosova.pdf.

particularly the UN, in order to prevent any international recognition of Kosovo. Secondly, Serbia is a customer of Russian energy supplies, based on a long-term partnership. Thirdly, the Russian state news agency Sputnik reaches audiences in the Western Balkans through Sputnik Srbija. Its stories are easily accessible to local media outlets for republication at minimal cost.[21] Russian-inspired media outlets heavily criticise the EU, NATO and Western-style democratic rule. Fourthly, Russia can exercise soft power through foundations, charities, and educational activities under favourable conditions by leveraging the Slavic Brotherhood and the shared orthodox Christianity narrative.

Russia's influence is albeit limited. This is evident in three sectors: energy, security, and intelligence, as well as geographic conditions. Geographically, Serbia is not a neighbour, nor is it a „near abroad" country. In fact, Serbia is surrounded by NATO members, Bosnia and Herzegovina, and Kosovo. In the important energy sector, the US pressured Serbia to comply with US anti-Russian sanctions concerning Russian Gazprom's ownership of the Serbian oil refinery in 2025. At the last minute, the Hungarian-owned mineral oil company MOL took over Gazprom's shares in early 2026. The termination of Gazprom's partial ownership damaged Russia-Serbia relations, overshadowing the conclusion of a new long-term gas contract between the two states.[22] Similarly, Russian-Serbian security cooperation has deteriorated since Serbia sold ammunition to Ukraine in recent years.[23] From a Russian perspective, this business deal could be perceived as a „stab in the back" to Moscow. Furthermore, Russia's intelligence services are assisting the Serbian authorities in quelling ongoing protests in Serbia. Many in the Serbian public who previously held a tentatively supportive view of Russia now criticise it. Changes have also occurred in Bosnia's Republika Srpska that run counter to Russia's interests. Milorad Dodik, Putin's most ardent supporter, lost his position as the entity's leader following a court verdict banning him from politics (his ties to the US will be discussed in the next section). His successor belongs to the same party as Dodik but lacks the strong personal bond. Furthermore, the general elections planned for 4 October 2026 may result in the current opposition Serb Democratic Party joining the Republika Srpska government.

4. The Western Balkans in times of Trump's global neo-imperialism

The first Trump administration was characterised by the admission of Montenegro and North Macedonia to NATO in 2017 and 2020, respectively.

---

[21] Branislav Stanicek and Anna Caprile, „Russia and the Western Balkans. Geopolitical confrontation, economic influence and political interference", Briefing, *European Parliamentary Research Service* (April 2023), https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/747096/EPRS_BRI(2023) 747096_EN.pdf.

[22] Wouters Zweers and Sam de Vet, „Serbia on a Sharpening Geopolitical Edge Between Russia and the European Union", Policy Brief, *Clingendael. Netherlands Institute of International Relations* (February 2026), https://www.clingendael.org/sites/default/files/2026-02/PB-Serbia-on-a-Sharpening-Geopolitical-Edge-Between-Russia-and-the-European-Union.pdf, 5.

[23] Ibid, 6.

This period also saw the emergence of transactional diplomacy and U.S. unilateralism. An example of this was seen in the way that Richard Grenell, Trump's envoy, handled the Kosovo-Serbia talks in 2020. Grenell advocated for a land swap between the two countries, but this did not materialise due to opposition from Kosovo and European partners.[24] Grenell's behaviour caused outrage at the time, in retrospect, can be seen as a precursor to the neo-imperialist habits of the second Trump administration. In an attempt to reach a deal, Grenell played an active role in bringing down the then Kosovo government led by Albin Kurti, who opposed the land swap. Instead, Grenell reached out to Hashim Thaçi, the former president of Kosovo, who is an influential and controversial politician and had to resign in 2020 to face war crimes charges in The Hague. The envisaged Grenell-Trump-Thaçi-Vučić-Deal never materialised.

The second Trump administration's global neo-imperialism does not pose an immediate threat to the WB-6 governments as the US considers the region to be an ally. Based on historical experience over the past three decades, the US favours a transatlantic and European orientation for WB states. Many WB leaders welcomed Trump's return to power. In early 2026, Albania's prime minister Edi Rama and Kosovo's president Vjosa Osmani joined Trump's Board of Peace initiative. Nevertheless, Trump's politics present significant challenges for all parties involved. The core of Trump's action in the WB is a transactional economic policy orientation with illiberal strongmen of his liking. Albania's Edi Rama appointed Trump's son-in-law, Jared Kushner, as a strategic investor to develop the small, uninhabited Albanian island of Sazan. Serbian president Aleksandar Vučić courted Trump and Kushner as potential investors in prime Belgrade real estate. Following widespread protests, Kushner withdrew in December 2025.[25] Furthermore, Trump increased pressure on Vučić by forcing Serbia to remove Gazprom from ownership of the oil refinery.

Trump's transactional policies in Bosnia and Hercegovina focus on energy deals, where he skilfully connects US business interests with sovereigntist action. A US-based company has been granted a 30-year concession to construct and operate the Southern Gas Interconnection gas pipeline, connecting Bosnian gas infrastructure with the LNG terminal in Krk, Croatia.[26] The deal was signed by Croatia and the Federation of Bosnia and Herzegovina entity, thus receiving their support. Dodik, a potential opponent, effectively bought himself off as Trump removed him from a US sanctions list.[27] This coincided with the resigna-

---

[24] Dana Landau and Lior Lehrs, „Populist peacemaking: Trump's peace initiatives in the Middle East and the Balkans", *International Affairs* 98, no. 6 (2022): 2001-2019, https://doi.org/10.1093/ia/iiac228.

[25] Vuk Vuksanović et al., „Through the Eyes of a Serb. Public Opinion in a Time of Global Upheaval", *Friedrich Ebert Stiftung* (July 2025), https://collections.fes.de/publikationen/ident/fes/22276.

[26] Vladimir Spasić, „BiH, Croatia sign agreement on Southern Gas Interconnection," *Balkan Green Energy News* (April 29, 2026), https://balkangreenenergynews.com/bih-croatia-signed-agreement-on-southern-gas-interconnection/.

[27] Giorgio Fruscione, „The US and the Legitimation of Secessionism in Bosnia", *Balkans in Europe Policy Advisory Group* (March 13, 2026), https://www.biepag.eu/blog/the-us-and-the-legitimation-of-secessionism-in-bosnia.

tion of the United Nations' High Representative of the international community in the country, Christian Schmitt, who had previously urged alignment with the EU's conditions for this project. In his biannual report from May 2026, he highlighted that the country was at the risk of stagnation and deconstruction of state institutions.[28] The Southern Gas Interconnection project illustrates the divergence of US and EU interests under Trump. It also shows how national and subnational actors from EU and EU candidate states make deals with Trump, thus bypassing EU procurement requirements politically.[29]

5. Conclusions

The findings of this article can only partially support the two hypotheses. The fulfilment of the EU conditionalities remains to be a long and arduous process. On the one hand, the EU has recently become more flexible and offered more incentives on the path to EU membership. However, on fundamental issues such as the rule of law, the EU remains firm. Russia's influence in Serbia has recently waned. The bond of the Slavic brotherhood is not as strong as it used to be. Adopting a multi-vector foreign policy, Serbia under Vučić is acting more independently, reaching out to European partners when purchasing fighter jets and conducting business involving Soviet-standard ammunition and artillery, which is being delivered to Ukraine via intermediaries. In energy matters, the US has pressured Serbia to terminate its contracts with the Russian-owned Gazprom.

The role of the US is more complex. US and EU interests are no longer as aligned as they were before the Trump presidency. Trump's transactional attitude clearly leaves its mark on US-WB relations, impacting EU policies towards the region. This affects security provisions (see the next paragraph) and the economy. The public procurement regulations that the EU requires from WB states are far more complex than business deals a la Trump. However, the EU and its member states also play controversial roles, as demonstrated by the Southern Gas Interconnection gas pipeline project.[30] It remains to be seen whether Trump's stance towards Milorad Dodik will have an immediate impact

---

[28] Office of the High Representative, „69th Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary-General of the UN", *Office of the High Representative* (May 12, 2026), https://www.ohr.int/69th-report-of-the-high-representative-for-implementation-of-the-peace-agreement-on-bosnia-and-herzegovina-to-the-secretary-general-of-the-un/. See also the debate in United Nations Security Council, „10150th Meeting (AM) Bosnia & Herzegovina," *UN Meetings Coverage and Press Releases* (May 12, 2026), https://press.un.org/en/2026/sc16357.doc.htm.

[29] Predrag Zvijerac and Gjeraqina Tuhina, „EU Warns Bosnia US Gas Project Could Threaten 1 Billion Euros In Aid", *RadioFreeEurope RadioLiberty* (April 25, 2026), https://www.rferl.org/a/eu-bosnia-gas-pipeline-us-investor-aid/33741747.html.

[30] On the EU's role in regulating corrosive capital see Iliriana Gjoni et al., „Rules or Deals? The EU's Challenge in Regulating Corrosive Capital in the Western Balkans", *Carnegie Europe* and *Heinrich Bull Foundation* (December 2025), https://carnegieendowment.org/research/2025/12/rules-or-deals-the-eus-challenge-in-regulating-corrosive-capital-in-the-western-balkans?lang=en%C2%A2er%3Deurope.

on the territorial integrity of Bosnia and Herzegovina; the role of the US in the appointment of a new UN High Representative is also unclear. Regarding Kosovo, the US under Trump 2.0 is not actively advocating a land-swap with Serbia.

In conclusion, the small size and relative economic weakness of the states in the Western Balkans makes them vulnerable to external actors. Furthermore, Russia's interests are aligned with those of nationalist Serb elites who have the capacity to seriously destabilize the region. Europe, with the EU at its core, is a key player that can promote norms of legitimate, accountable, and democratic governance. At the same time, Europe's role in providing security is growing, as the US's global actions under Trump disregard international law and are purely transactional. Trump's solely business-oriented attitude and erratic, unpredictable behaviour should alarm domestic actors and the EU, a WB ally, alike. In this respect, ensuring the security of the two non-NATO states is paramount. Regarding the NATO-led UN Kosovo Force, the EU and its European partners, particularly Great Britain and Turkey, must be prepared to fill a security vacuum if the US contingent is reduced. Security in Bosnia and Herzegovina is based on a UN mandate that must be renewed annually. The mission, known as EUFOR Althea, is politically led by the European Union and comprises 600 troops. Due to Republika Srpska's secessionist ambitions, it is crucial to deploy additional troops to the strategically significant Brčko region.[31] In an earlier contribution, I argued that the cost-benefit calculations related to security underpinning the EU's enlargement policy have also changed as a result of Russia's war against Ukraine. It is less costly to invest in the security of fragile states than to provide assistance after violence erupts.[32]

In times of peace and territorial integrity, the EU plays a decisive role as an agent of development in the six small, open economies. Fully utilising IPA funds – the current version of which runs until 2027 – would amount to around one percent of gross domestic product (GDP) spending. Implementing the new WB growth plan through the „Reform and Growth Facility" will add a further one percent from 2025 to 2028, which could stimulate investment worth two to three times the value of the aid itself. Regional cooperation is the key to setting off sustainable economic growth. According to a World Bank study, the EU estimates that eliminating barriers will boost GDP growth by ten percent by 2030.[33] World Bank experts urge reforms to digital infrastructure, the regulatory

---

[31] Bojana Zorić, „The Western Balkans and Trump 2.0. What should the EU hope for and fear?", Commentary, *European Union Institute for Security Studies* (November 15, 2024), https://www.iss.europa.eu/publications/commentary/western-balkans-and-trump-20.

[32] Christopher Walsch, „Gradual EU Integration of the Western Balkans in Times of War in Europe: Security and the Politics of EU Enlargement in the 2020s", *Politics in Central Europe* 21, no. 4 (2025): 623-641. https://doi.org/10.2478/pce-2025-0025.

[33] European Union, „The Growth Plan for the Western Balkans", [Information flyer], *European Union* (2025), https://enlargement.ec.europa.eu/document/download/75354ed6-6f5a-426e-9f29-f1c77ce8ce18_en?filename=NewGrowthPlan-WB-Nov2025.pdf and World Bank, „Western Balkans Regular Economic Report No. 28", *World Bank Group* (Fall, 2025), https://documents1.worldbank.org/curated/en/099100625100539134/pdf/P512916-fe1dc2c8-b236-4cfe-ad18-88303a06122e.pdf, 19-27.

quality, government effectiveness, the efficiency of public investment, financial development, and female labour participation.[34] EU schemes will be realised when candidates align their national economic legislation with the EU's Single Market legislation and fulfil their obligations to implement the Common Regional Market in the WB region. Currently, the free movement of capital, services, and labour is less liberalised between WB countries than between the WB and the EU.[35] In order to benefit from EU programmes, WB states must adhere to and maintain reforms in fundamental areas of governance. These include democratic standards, an independent judiciary, a free media environment, the rule of law, and human rights.

References

1. Bechev, Dimitar. „The EU's Waning Attractiveness". *Carnegie Europe*, June 2025. https://carnegieendowment.org/research/2025/06/the-eus-waning-attractiveness?lang=en&center=europe.
2. Becker, Peter, and Barbara Lippert. „Acceding Countries' Gradual Integration into the EU Single Market." *German Institute for International and Security Affairs*, September 2024. https://www.swp-berlin.org/publications/products/comments/2024C42_Gradual_Integration.pdf.
3. Blagovčanin, Srđan. „Post-Conflict Dystopia. Captive State and Society - The Case of Bosnia and Herzegovina". *Transparency International*, 2024. https://ti-bih.org/wp-content/uploads/2024/02/POST-CONFLICT-DYSTOPIA-CAPTIVE-STATE-AND-SOCIETY.pdf.
4. Declaration on the Protection of National and Political Rights and the Joint Future of the Serb People, English translation. *Voltaire Network*, June, 2024. https://www.voltairenet.org/article221009.html.
5. Džankić, Jelena, Simonida Kacarska, Soeren Keil, eds. *A Year Later: War in Ukraine and Western Balkan (Geo)Politics*. European University Institute, 2023. https://cadmus.eui.eu/bitstream/handle/1814/75524/QM-03-23-131-EN-N.pdf?sequence=1&isAllowed=y.
6. Emerson, Michael, Milena Lazarević, Steven Blockmans, et al. „A template for Staged accession to the EU.", *Centre for European Policy Studies* and *European Policy Centre*, October 2021. https://cdn.ceps.eu/wp-content/uploads/2021/10/A-Template-for-Staged-Accession-to-the-EU.pdf.
7. European Commission. „EU-Western Balkans Summit Thessaloniki, 21 June 2003, Declaration". *European Commission*, 2003. https://ec.europa.eu/commission/presscorner/detail/en/pres_03_163.
8. European Commission. „New growth plan for the Western Balkans COM (2023) 691 final". *European Commission*, November 2023. https://neighbourhood-enlargement.ec.europa.eu/document/download/8f5dbe63-e951-4180-9c32-298cae022d03_en?filename=COM_2023_691_New%20Growth%20Plan%20Western%20Balkans.pdf.

[34] Ibid, 28.

[35] Armin Steinbach et al., „Intra-Western Balkans Dynamics: Stocktaking and Ways ahead", Working Paper 10/2025, *Bruegel* (May 28, 2025), https://www.bruegel.org/sites/default/files/2025-05/WP%2010%202025.pdf.

9. European Commission. „2024 Communication on EU Enlargement Policy COM (2024) 690 final“. *European Commission*, October 2024. https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-10/eu_accession_process_clusters%20%28oct%202022%29.pdf.
10. European Commission. „2025 Communication on EU Enlargement Policy COM (2025) 690 final“. *European Commission*, November 2025. https://enlargement.ec.europa.eu/document/download/eb69a890-40d6-4696-801e-612d51709fdd_en?filename=2025%20Communication%20on%20EU%20Enlargement%20Policy.pdf.
11. European Commission. „2024 Rule of Law Report - Communication and country chapters“. *European Commission*, July 2024. https://commission.europa.eu/publications/2024-rule-law-report-communication-and-country-chapters_en.
12. European Council. „Brussels Declaration. EU-Western Balkans Summit“. *European Council*, December 2024. https://www.consilium.europa.eu/media/wvld5ka1/brussels-declaration-2024-en.pdf.
13. European Union. „The Growth Plan for the Western Balkans“. [Information flyer]. *European Union*, 2025. https://enlargement.ec.europa.eu/document/download/75354ed6-6f5a-426e-9f29-f1c77ce8ce18_en?filename=NewGrowthPlan-WB-Nov2025.pdf.
14. Fruscione, Giorgio. „The US and the Legitimation of Secessionism in Bosnia“. *Balkans in Europe Policy Advisory Group*, March 13, 2026. https://www.biepag.eu/blog/the-us-and-the-legitimation-of-secessionism-in-bosnia.
15. Galijaš, Armina. *Russkij mir I srpski svet. Ideje, projekti, ratovi* [Russian World and Serbian World. Ideas, Projects, Wars]. Srednja Europa, 2026.
16. Gjoni, Iliriana, Iva Čukić, Alba Çela, et al. „Rules or Deals? The EU's Challenge in Regulating Corrosive Capital in the Western Balkans“. *Carnegie Europe* and *Heinrich Bull Foundation*, December 2025. https://carnegieendowment.org/research/2025/12/rules-or-deals-the-eus-challenge-in-regulating-corrosive-capital-in-the-western-balkans?lang=en%C2%A2er%3Deurope.
17. Griessler, Christina. „The Berlin Process. Bringing the Western Balkan Region Closer to the European Union“. *Südosteuropa* 68, no. 1 (2020): 1-24.
18. Juncos, Ana, and Nieves Pérez-Solórzano Borragán. „European Union Enlargement“. In *European Union Politics*, edited by Michelle Cini and Nieves Pérez-Solórzano Borragán. Oxford University Press, 2025.
19. Landau, Dana, and Lior Lehrs. „Populist peacemaking: Trump's peace initiatives in the Middle East and the Balkans“. *International Affairs* 98, no. 6 (2022): 2001-2019. https://doi.org/10.1093/ia/iiac228.
20. Morrison, Kenneth, and Vesko Garčević. „The Orthodox Church, Montenegro, and the 'Serbian World'.“ *Atlantic Initiative*, January 2023. https://atlanticinitiative.org/wp-content/uploads/2023/02/SPC-WEB.pdf.
21. Office of the High Representative. „69th Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary-General of the UN“. *Office of the High Representative*, May 12, 2026. https://www.ohr.int/69th-report-of-the-high-representative-for-implementation-of-the-peace-agreement-on-bosnia-and-herzegovina-to-the-secretary-general-of-the-un/.
22. Popova, Lubomira. „The EU enlargement policy in the process of transformation: moving forward from declarative promises to strategic goals?“ In *The Agenda of the New EU Institutional Cycle. Papers from the Eleventh International Scientific Conference of the European Studies Department*, edited by Kaloyan Simeonov and Mariya Yurukova. Sofia, 2024.

23. Radić Milosavljević, Ivana, and Spasimir Domaradzki. „The EU's raison d'état in the Western Balkans: can the new enlargement methodology help?" *Mepunarodni Problemi - International Problems* LXXIV, no. 3 (2022): 391-410. https://doi.org/10.2298/MEDJP2203391R.

24. Republic of Kosova. „Preliminary Report. Initial Analysis of Serbia's Paramilitary Aggression on Kosova". *Helsinki Committee for Human Rights in Serbia*, October 20, 2023. https://helsinki.org.rs/doc/Preliminary%20Report%20Serbias%20Aggression%20on%20Kosova.pdf.

25. Spasić, Vladimir. „BiH, Croatia sign agreement on Southern Gas Interconnection". *Balkan Green Energy News*, April 29, 2026. https://balkangreenenergynews.com/bih-croatia-signed-agreement-on-southern-gas-interconnection/.

26. Stanicek, Branislav, and Anna Caprile. „Russia and the Western Balkans. Geopolitical confrontation, economic influence and political interference". Briefing. *European Parliamentary Research Service*, April 2023. https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/747096/EPRS_BRI(2023)747096_EN.pdf.

27. Steinbach, Armin, Nina Vujanović, Anna Fiore. „Intra-Western Balkans Dynamics: Stocktaking and Ways ahead". Working Paper 10/2025. *Bruegel*, May 28, 2025. https://www.bruegel.org/sites/default/files/2025-05/WP%2010%202025.pdf.

28. United Nations Security Council. „10150th Meeting (AM) Bosnia & Herzegovina". *UN Meetings Coverage and Press Releases*, May 12, 2026. https://press.un.org/en/2026/sc16357.doc.htm.

29. Von der Leyen, Ursula. „Statement following the EU-Western Balkans Summit". *Directorate-General for Enlargement and Eastern Neighbourhood*, December 17, 2025. https://enlargement.ec.europa.eu/news/statement-president-von-der-leyen-following-eu-western-balkans-summit-2025-12-17_en.

30. Vuksanović, Vuk, Maja Bjeloš, Srdjan Cvijić. „Through the Eyes of a Serb. Public Opinion in a Time of Global Upheaval". *Friedrich Ebert Stiftung*, July 2025. https://collections.fes.de/publikationen/ident/fes/22276.

31. Walsch, Christopher. „Gradual EU Integration of the Western Balkans in Times of War in Europe: Security and the Politics of EU Enlargement in the 2020s". *Politics in Central Europe* 21, no. 4 (2025): 623-641. https://doi.org/10.2478/pce-2025-0025.

32. World Bank. „Western Balkans Regular Economic Report No. 28". *World Bank Group*, Fall, 2025. https://documents1.worldbank.org/curated/en/099100625100539134/pdf/P512916-fe1dc2c8-b236-4cfe-ad18-88303a06122e.pdf.

33. Zeneli, Valbona, Richard Grieveson, Isabelle Ioannides, et al. „The European Union Growth Plan for the Western Balkans: A reality test for EU enlargement". *Atlantic Council*. *Europe Center*, 2025. https://www.atlanticcouncil.org/wp-content/uploads/2025/05/Zeneli-et-al-Growth-Plan-for-the-Western-Balkans-H.pdf.

34. Zorić, Bojana. „The Western Balkans and Trump 2.0. What should the EU hope for and fear?" Commentary. *European Union Institute for Security Studies*, November 15, 2024. https://www.iss.europa.eu/publications/commentary/western-balkans-and-trump-20.

35. Zvijerac, Predrag, and Gjeraqina Tuhina. „EU Warns Bosnia US Gas Project Could Threaten 1 Billion Euros In Aid". *RadioFreeEurope RadioLiberty*, April 25, 2026. https://www.rferl.org/a/eu-bosnia-gas-pipeline-us-investor-aid/33741747.html.

36. Zweers, Wouters, and Sam de Vet. „Serbia on a Sharpening Geopolitical Edge Between Russia and the European Union". Policy Brief. *Clingendael*. *Netherlands Institute of International Relations*, February 2026. https://www.clingendael.org/sites/default/files/2026-02/PB-Serbia-on-a-Sharpening-Geopolitical-Edge-Between-Russia-and-the-European-Union.pdf.

SHALLOW EUROPEANIZATION AND THE DOMESTIC LIMITS OF EU FUND ABSORPTION: SERBIA'S IPARD EXPERIENCE

Dr Ivana Radić Milosavljević
University of Belgrade – Faculty of Political Sciences, Serbia
https://orcid.org/0000-0002-2449-2842

Dr Miloš Petrović
Institute of International Politics and Economics, Belgrade, Serbia
https://orcid.org/0000-0002-5696-5595

Abstract

In this paper, we examine Serbia's management of the European Union pre-accession assistance through the case of IPARD in order to assess the country's capacities to manage EU funds and, more broadly, preparedness for future membership obligations under cohesion-style instruments. We situate our analysis within a top-down Europeanization framework and conduct document analysis of relevant European Commission reports, SIGMA assessments, implementation reports, legal and policy documents, and other relevant secondary sources. We find that Serbia has achieved a degree of formal alignment and an institutional setup that responds to the EU's requirements regarding the use of its funds. However, the implementation has been marked by delays, limited absorption, staffing shortages, weak coordination, and unstable leadership arrangements. In this paper, we hypothesize that these shortcomings cannot be explained solely by technical or sectoral weaknesses, but they reflect broader governance constraints, including politicisation, centralisation, and weak democratic and rule of law performance. We conclude that Serbia's IPARD performance reveals a pattern of shallow Europeanization and raises wider concerns about the country's capacity to manage larger and more complex EU funds after accession.

Keywords: Serbia; IPARD; EU pre-accession funds; Europeanization; administrative capacity.

Introduction

Since the early 2000s, Serbia's EU integration trajectory has combined slow formal institutional advancement with limited transformative depth. While successive milestones, from the Stabilisation and Association Process to the

opening of accession negotiations in 2014, suggest continuity in Serbia's integration process, the country has stagnated or even backslidden over the last decade, with no negotiation clusters open in the last five years.

It is often portrayed that the country's accession trajectory is marked by an important asymmetry: although official EU reports and SIGMA assessments indicate a moderate or relatively stronger level of preparedness in a number of technical, sectoral, and administrative domains, this has not been matched by equivalent progress in the political criteria, especially in the areas of democratic governance, rule of law, accountability, and policy coordination.[1] In this paper, we argue that this distinction matters for pre-accession fund management because fund absorption depends not only on formal compliance with sectoral and administrative requirements but also on a broader governance environment that ensures continuity, coordination, predictability, and institutional credibility, thereby preparing a country for future EU membership. We use the IPARD (Instrument for Pre-Accession Assistance for Rural Development) case to assess the state's preparedness for pre-accession EU fund management and, subsequently, for the post-EU membership phase, which entails more substantial and diverse EU funds. In Serbia's case, repeated implementation delays, limited absorption, and concerns about staffing and administrative effectiveness within the IPARD system indicate that technical readiness alone is insufficient and may even be overrated. We argue that the shortcomings of IPARD cannot be interpreted merely as isolated managerial failures in agricultural policy, but we see them as an expression of the broader issues in Serbia's legal and administrative adaptation, complemented by its weaker performance in the political and fundamental reforms.[2]

Embedded in the top-down Europeanization conceptual model[3], the paper expects high pressure for change at the start of the reform process, with a relatively large misfit between the EU's requirements in the funds management domain and the actual legal, institutional, and administrative set-up in the candidate countries. This high pressure should have led to considerable

---

[1] „Commission Staff Working Document Serbia 2025 Report Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 2025 Communication on EU enlargement policy", European Commission, SWD(2025) 755 final, Brussels, 4.11.2025; „Public administration in Serbia 2024: Assessment against the Principles of Public Administration", SIGMA Monitoring Reports, OECD, ISSN: 3078-8420 (online), accessed, May 20, 2026, https://doi.org/10.1787/9c2f22f8-en. Compare also the previous European Commission's annual reports on Serbia.

[2] Miloš Petrović and Ivana Radić Milosavljević, „Preparation of Serbia for the EU Regional Policy and Negotiations in Chapter 22: Regional Policy and Coordination of Structural Funds," in *The EU Regional Policy and Regional Policy Challenges in Czech Republic, Hungary, Poland, Slovak Republic, Montenegro and Serbia*, ed. Gordana Djurovic (Podgorica: Montenegrin Pan-European Union, 2024), 186-187.

[3] Thomas Risse, Maria Green Cowles, and James Caporaso, „Europeanization and Domestic Change: Introduction" in *Transforming Europe: Europeanization and Domestic Change*, ed. Maria Green Cowles, James Caporaso, and Thomas Risse (Ithaca and London: Cornell University Press, 2001).

changes where candidate countries had to adopt a legal framework (agreements, laws, regulations, etc), establish structures (i.e., bodies responsible for EU funds management), and acquire administrative capacities (i.e., employ and train staff, change rules and practices in order to retain staff, etc). However, in Serbia's case, several indicators, including underperformance in IPARD (as well as other available instruments), show that this change has not been successful and has yielded only „shallow Europeanization"[4], meaning that the country attained some formal compliance, but the implementation remains partial and incomplete. The paper hypothesizes that domestic factors such as broader centralisation trends, politicisation of bureaucracy, and a lack of political will affect the implementation of reforms in this domain.

The structure of the paper is as follows. The next section focuses on the challenges underlying Serbia's underperformance in the utilisation of pre-accession funds across different programming periods, from an empirical perspective. It is followed by an examination of the domestic factors that hinder preparation for and absorption of EU funds, including political instability, centralisation, politicisation, and related issues. The final section presents the concluding remarks.

Serbia's performance in the EU pre-accession fund management: empirical findings

Following the democratic change of 2000, Serbia's engagement with European Union development assistance began with the Community Assistance for Reconstruction, Development and Stabilisation (CARDS) programme, which operated until 2006. This instrument was subsequently reorganised and transformed into the Instrument for Pre-Accession Assistance (IPA). The first IPA (2007-2013) allocated about 1.34 billion euros to Serbia, and the country absorbed about 1.21 billion euros[5], or 90.3% of the available funds. IPA II (2014-2020) allocated around 1.5 billion euros to Serbia,[6] of which the country managed to contract 87 per cent of committed funds, but actually only about one-half of the committed amount was disbursed.[7] Within the same programming period, the fifth component of IPA, namely IPARD II, envisaged an envelope

---

[4] Tanja A. Börzel, „When Europeanization Hits Limited Statehood. The Western Balkans as a Test Case for the Transformative Power of Europe". *KFG Working Paper Series* no. 30, (September 2011). Kolleg-Forschergruppe (KFG) „The Transformative Power of Europe", Freie Universität Berlin.

[5] „Overview - Instrument for Pre-accession Assistance", European Commission, accessed May 21, 2026, https://enlargement.ec.europa.eu/funding-technical-assistance/overview-instrument-pre-accession-assistance_en.

[6] „Serbia - financial assistance under IPA", European Commission, accessed May 21, 2026, https://enlargement.ec.europa.eu/funding-technical-assistance/overview-instrument-pre-accession-assistance/serbia-financial-assistance-under-ipa_en.

[7] „Towards Better Jobs", Western Balkans Regular Economic Report, No.28 Fall 2025, The World Bank, accessed May 25, 2026, https://documents1.worldbank.org/curated/en/099100625100539134/pdf/P512916-fe1dc2c8-b236-4cfe-ad18-88303a06122e.pdf, 20.

of 175 million euros for Serbia; however, the country managed to absorb just above half of that amount (56.6%) even though „the percentage of approved EU support in relation to the initial budget was 84.6%".[8,9]

Part of the explanation for the degraded performance in fund absorption during IPA II (including IPARD II) compared to previous programs also lies in the shift from centralised to indirect management of pre-accession funds. While CARDS and the first IPA were centrally managed by the European Commission, which handled all tendering, contracting, and financial administration of the funds, during the IPA II period, a decentralised (indirect) implementation system was established for Serbia, allowing for an independent management of EU funds by the state's institutions. In March 2014, the European Commission decided to confer management powers on Serbia, thereby formalising the transition from direct EU management to a decentralised/ indirect management system (DIS). To that end, the state had to set up the core infrastructure, including, for example, the National Fund and the Central Finance and Contracting Unit (CFCU) within the Ministry of Finance. However, full decentralised management with *ex-post* controls was not achieved. Serbian institutions prepared systems and drafted procurement documents, but the EU Delegation retained *ex-ante* control.[10]

The system aims, among other things, to prepare candidate countries to manage more complex European Structural and Investment (ESI) funds once they become EU members. Decentralised management within IPA II paved the way for Serbia to start using all components of IPA, especially the IPARD program assistance for which this system is obligatory.[11] For that purpose, Serbia had to set up a dedicated institutional structure and procedures, e.g., a Managing Authority and an IPARD Agency to manage grant distribution to local beneficiaries.

Apart from moderate results in funds absorption, the implementation of IPA II and IPARD II progressed with significant delays. The IPARD II program was approved in January 2015, while the first call was announced in December 2017, and the first payments were realised only in 2019[12], reaching a 4-year

---

[8] „Final Implementation Report of IPARD II Programme", Republic of Serbia Ministry of Agriculture, Forestry and Water Management, Department for Management of IPARD Programme, IPARD Managing Authority, accessed May 25, 2026, https://uap.gov.rs/wp-content/uploads/2025/12/Final-Implementation-Report-on-IPARD-II-Programme.pdf, 1.

[9] The latter programming period also coincides with political changes in Serbia and the rise to power of the (still dominant) Serbian Progressive Party, during whose tenure a large number of highly skilled public servants left the public sector, gradually diminishing the capacities of the state administration. The decreased and insufficient utilization of funds (such as IPA and IPARD) should be interpreted in this political context.

[10] Goran Simunović, „Decentralised Implementation System in Serbia", Government of the Republic of Serbia, Department for Contracting and Financing of EU Funded Programmes, n.d., 6-8, http://www.evropa.gov.rs/Documents/Home/DACU/5/103/112/127/163/dis_serbia_g_simunovic.pdf.

[11] „Final Implementation Report of IPARD II Programme", 35.

[12] „Final Implementation Report of IPARD II Programme".

implementation gap. Serbia requested a deadline extension for the utilisation of allocated EU funds five times[13] to avoid the decommissioning of funds. Due to short timeframes and other structural factors, e.g., the absence of legal prerequisites or concurrent national subsidy measures, Serbia accredited only four measures under IPARD II, postponing entrustment of measures such as Measure 4 (dealing with organic farming) or Measure 5 (Implementation of local development strategies).

Apart from delays in entrustment of measures, available report on implementation of IPARD II as the main reasons for insufficient utilization of funds states: „insufficient human capacities, fluctuation of employees and inadequate retention policy for retaining trained staff, longer period for processing of applications at all stages due to a large number of incomplete applications, insufficient information of applicants regarding the interpretation of the eligibility criteria for obtaining IPARD support, inability to use IPARD support during project implementation, complex procedures for obtaining IPARD support, etc.“[14]

While IPARD II was still being implemented and paid out, IPARD III (2021-2027) officially began following the Commission's March 2022 decision to accept Serbia's program. With an allocation of 288 million Euros, IPARD III represents an increase of approximately 65% over the previous programming period. IPARD III includes new measures with a view to entrusting a total of seven in the current programming period. However, despite acquired experience and several procedural improvements when compared to IPARD II, the new programming period has been marked by significant delays. The law ratifying the Sectoral Agreement on IPARD III was adopted only in July 2023,[15] while the Financing Agreement for IPARD III between the European Commission and the Government of Serbia was not officially signed until September 2024 and entered into force on October 29, 2024.[16] The first calls for proposals were opened in 2024,[17] while the first project approvals were made only in October 2025.[18]

---

[13] „Final Implementation Report of IPARD II Programme“.

[14] „Final Implementation Report of IPARD II Programme“, 2-3.

[15] Sectoral Agreement between the Government of the Republic of Serbia and the European Commission Setting out Provisions for the Management and Implementation of Union Financial Assistance to Serbia Under the Rural Development Programme of the Instrument for Pre-Accession Assistance (IPARD III), accessed May 22, 2026, https://uap.gov.rs/wp-content/uploads/2023/08/sektorski-ratifikovan.pdf

[16] „IPARD III Podrška ruralnom razvoju“, Uprava za agrarna plaćanja, accessed May 28, 2026, https://uap.gov.rs/ipard-iii-podrska-ruralnom-razvoju/.

[17] „Open Calls for Farmers!“, EU in Serbia, accessed May 28, 2026, https://europa.rs/open-calls-for-farmers/?lang=en.

[18] „Svečano uručena prva IPARD III rešenja o odobravanju projekata u okviru mere 1“, Ministarstvo poljoprivrede, šumarstva i vodoprivrede, 13. 10. 2025, https://minpolj.gov.rs/%D1%81%D0%B2%D0%B5%D1%87%D0%B0%D0%BD%D0%BE-%D1%83%D1%80%D1%83%D1%87%D0%B5%D0%BD%D0%B0-%D0%BF%D1%80%D0%B2%D0%B0-%D0%B8%D0%BF%D0%B0%D1%80%D0%B4-iii-%D1%80%D0%B5%D1%88%D0%B5%D1%9A%D0%B0-%D0%BE-%D0%BE/.

The *ex-ante* evaluation report from summer 2021 identifies critical challenges in implementing IPARD II and III in Serbia, including low administrative effectiveness, a shortage of manpower in the IPARD Agency (IA), fluctuation of experts working in IA, and excessive application processing times[19]. Further, the IPARD Agency faces backlogs from previous cycles, while technical capacity remains insufficient.[20]

The European Commission's annual reports also identify challenges in Serbia's alignment with the EU Common Agricultural Policy and in the management and implementation of IPARD funds. The last available 2025 report finds that „Limited progress was made with the rollover of entrusted IPARD measures" and that „In the coming year, Serbia should, in particular... urgently take measures to start implementation of IPARD III and avoid further losses of EU funds, notably by increasing capacity building, ensuring more efficient contracting and implementation of projects, and preparing new measures for entrustment as soon as possible".[21]

Apart from difficulties with the administrative capacities in Serbia on which IPARD implementation depends, the program's rules prevented or made it difficult for beneficiaries to comply with and participate in the program. The standard IPARD mechanism operates on a reimbursement basis, meaning that, under IPARD II, beneficiaries had to finance 100% of the machinery or infrastructure project out of pocket before the EU returns up to 50% to 75% of eligible expenses. In late 2021, Serbia enacted a critical legal amendment to the Law on Agriculture and Rural Development, allowing advance payments of up to 50% of approved project costs for the IPARD III (2021 - 2027) cycle.[22] This modification addressed a major structural vulnerability from the IPARD II era, where beneficiaries struggled to fund projects upfront due to strict reimbursement-only rules. However, securing the remaining capital remains a major hurdle.

Broader political context in Serbia - Domestic factors constraining adaptation to EU requirements

Domestic barriers to the effective implementation of IPARD and other EU funds in Serbia cannot be reduced to technical shortcomings alone. They are closely linked to a broader pattern of centralisation, politicisation, political

---

19 „Ex-Ante Evaluation of the IPARD Programme of the Republic of Serbia for the Period of 2021-2027 Contract No. SER-GA-IC-CS-21-04 Final Report Period covered: July 19th - September 29th", Ecorys Hrvatska d.o.o, September 29, 2021, https://www.minpolj.gov.rs/download/Ex-ante-evaluation-report-IPARD-III-Programme-2021-2027.pdf, 50-51.

20 „Ex-Ante Evaluation of the IPARD Programme of the Republic of Serbia for the Period of 2021-2027", 64.

21 „Commission Staff Working Document Serbia 2025 Report...".

22 „IPARD in Focus", no.13, Nov/Dec 2021, Ministry of Agriculture, Forestry and Water Management, Serbia, accessed May 19, 2026, https://ipard.gov.rs/wp-content/uploads/2024/05/IPARD-in-Focus-No.-13-NovDec-2021.pdf.

instability, democracy backsliding, and weak institutional continuity, which undermine the predictability required to manage pre-accession funds.

Frequent changes in the political leadership of the agricultural sector have made it more difficult to sustain policy priorities, maintain consistent oversight, and ensure uninterrupted coordination between the ministry, the Managing Authority, and the IPARD Agency. Since 2021, the Ministry of Agriculture, Forestry and Water Management has had four ministers[23], indicating a high degree of turnover in a policy area that depends on long-term planning and stable communication with relevant stakeholders.

These problems are compounded by the continued use of temporary leadership arrangements in key implementing bodies. The fact that the director of the IPARD Agency has remained in an acting capacity points to a broader governance pattern in which formally important institutions operate without fully consolidated leadership.[24] Acting appointments, which have become a widely used practice in Serbia's public administration[25], limit managerial autonomy, reduce accountability, and discourage longer-term organisational planning. This is particularly problematic in an institution already burdened by staffing shortages, backlogs, and demanding accreditation requirements. It reflects politicised personnel management rather than merit-based appointments, and a preference for flexible control over institutional stabilisation.

Serbia's recent difficulties with the Reform and Growth Facility,[26] the latest EU instrument to complement IPA funds in the Western Balkans, stem from the stringent conditionality governing disbursements, which Serbia fails to

---

[23] Agrosmart, „Nedimović predao dužnost novoj ministarki Jeleni Tanasković", 27. oktobar 2022, https://agrosmart.net/2022/10/27/nedimovic-predao-duznost-novoj-ministarki-jeleni-tanskovic/; Министарство пољопривреде, шумарства и водопривреде, „Александар Мартиновић преузео дужност министра пољопривреде, шумарства и водопривреде од Јелене Танасковић", 7.5. 2024. https://minpolj.gov.rs/aleksandar-martinovic-preuzeo-duznost-ministra-poljoprivrede-sumarstva-i-vodoprivrede-od-jelene-tanaskovic/; „Sastav Vlade", Vlada Republike Srbije, accessed May 19, 2026, https://www.srbija.gov.rs/biografija/90303/dragan-glamocic.php;

[24] „Кабинет", Управа за аграрна плаћања, accessed May 19, 2026, https://uap.gov.rs/sektori/kabinet; „Vlada Srbije postavila nove VD direktore uprava za veterinu i agrarna plaćanja", Tanjug, 19. decembar 2022, https://www.tanjug.rs/ekonomija/srbija/3970/vlada-srbije-postavila-nove-vd-direktore-uprava-za-veterinu-i-agrarna-placanja/vest.

[25] „Public administration in Serbia 2024: Assessment against the Principles of Public Administration", 11, 13, 45-46, 48, 57-59; „SIGMA Paper No. 77 Ministries in the Western Balkans and selected countries of the European Eastern Neighbourhood", OECD, Accessed May 20, 2026, https://www.sigmaweb.org/content/dam/sigma/en/publications/reports/2026/04/ministries-in-the-western-balkans-and-selected-countries-of-the-european-eastern-neighbourhood_d1ea8809/bca0ceb9-en.pdf, pp. 38, 42-43; „Sve manje državnih preduzeća ima zakonitog direktora", Transparentnost Srbija, 2.1.2026, https://www.transparentnost.org.rs/sr/aktivnosti-2/saoptenja/12992-sve-manje-drzavnih-preduzeca-ima-zakonitog-direktora

[26] „Regulation (EU) 2024/1449 of the European Parliament and of the Council of 14 May 2024 on establishing the Reform and Growth Facility for the Western Balkans", PE/80/2024/REV/1, OJ L, 2024/1449, European Union, 24.5.2024.

meet. The instrument ties access to funds to compliance with reform steps defined in the Reform Agenda and broader requirements (preconditions) related to democratic governance, the rule of law, and the normalisation of relations with Kosovo. Although Serbia secured pre-financing and the first release of funds[27], it was omitted from the latest release (May 2026), along with Bosnia and Herzegovina, due to the worrying trends in the rule of law area, especially over the last six months.[28] A recent report by a working party established by a group of Serbian civil society organisations confirms that Serbia has not fulfilled the rule of law and democratic mechanisms preconditions, nor the general conditions regarding budgetary transparency and oversight.[29] In addition, of the 34 reform steps scheduled for implementation in 2025, only 6 had been implemented by the end of the first quarter of 2026, representing a mere 18% fulfilment rate and signalling a lack of commitment to the government's own Reform Agenda.[30]

Serbia's broader centralisation tradition impedes not only its current EU pre-accession funds management but also its overall preparation for the effective use of ESI funds in the future. Chapter 22 preparation documents and related EU policy materials make clear that effective management of cohesion-style instruments requires not only efficient central co-ordination, but also the involvement and consultation of a broad partnership of actors, including regional and local authorities, economic and social partners, and civil society organisations and academic institutions (the so-called partnership principle).[31] The 2026 Commission's report on the implementation of the

---

[27] „Annex to the Commission Implementing Decision approving the first release of funds to Serbia under the Reform and Growth Facility for the Western Balkans Assessment of the Conditions for Payments - Serbia", European Commission, accessed May 25, 2026, https://enlargement.ec.europa.eu/document/download/e5ebe6f6-83e6-49d9-9f28-03e808b2c59e_en?filename=C_2026_18_1_EN_annexe_acte_autonome_nlw_part1_v2.pdf

[28] „Srbija i BiH bez isplate iz Plana rasta: Ostale zemlje Zapadnog Balkana dobile novac", N1, 20.5.2026. https://nova.rs/vesti/politika/srbija-i-bih-bez-isplate-iz-plana-rasta-ostale-zemlje-zapadnog-balkana-dobile-novac/

[29] „By March 31, Serbia had completed only 6 of the planned 34 steps from the Reform Agenda", Savremena politika, 27.05.2026. https://savremenapolitika.com/srbija-do-31-marta-ispunila-samo-6-od-planiranih-34-koraka-iz-reformske-agende/.

[30] „By March 31, Serbia had completed only 6 of the planned 34 steps from the Reform Agenda".

[31] „Screening Report Republic of Serbia: Chapter 22 - Regional Policy and Coordination of Structural Instruments", European Commission, (Brussels, 23 October 2015), https://enlargement.ec.europa.eu/document/download/ff3aa499-d3be-471e-9c80-a1484ede6b31_en?filename=screening_report_ch_22_serbia.pdf&prefLang=lt; „Action Plan for Chapter 22 - Regional Policy and Coordination of Structural Instruments Adopted", Ministry of European Integration of the Republic of Serbia, 8 April 2019, https://www.mei.gov.rs/upload/documents/pristupni_pregovori/akcioni_planovi/action_plan_22.pdf; „Implementation of the Partnership Principle of the EU Cohesion Policy in Enlargement Countries: Final Report", European Commission, Directorate-General for Regional and Urban Policy, (Brussels, March 2026), https://ec.europa.eu/regional_policy/sources/studies/PartnershipPrincipleEnlargement/Final_Report_PartnershipPrinciple_candidate_countries.pdf.

partnership principle indicates that stakeholder participation in Serbia remains uneven and weakly institutionalised across the EU funds cycle. This is significant because future ESI fund management requires precisely a stable, multi-level partnership arrangement that remains underdeveloped in Serbia.

Conclusions

The case of IPARD in Serbia suggests that low absorption of this and other pre-accession funds should be understood less as an isolated technical failure than as a symptom of a broader institutional mismatch between EU requirements and domestic governance structures. Delays in accreditation, weak coordination, staffing instability, and limited implementation capacity all point to a pattern of shallow Europeanization in which formal alignment has advanced further than the institutional and political conditions necessary for effective implementation despite the high pressure to adapt. The findings also show that politicisation has not operated only indirectly through the broader political environment but has affected fund management more directly through unstable leadership, acting appointments, and personnel practices that weakened institutional autonomy and continuity. In that sense, the findings indicate that Serbia's problems in managing EU funds are embedded in broader governance constraints, including centralisation, politicisation, weak institutional continuity, and an insufficiently credible commitment to reform.

The management of EU funds in Serbia has remained highly centralised, reflecting wider weaknesses in policy co-ordination and public financial management, while limiting the meaningful involvement of sectoral institutions, subnational authorities, and other non-state actors. This institutional configuration sits uneasily with the partnership-based and multi-level governance logic that underpins the effective use of cohesion-style instruments and Serbia's preparation for Chapter 22.

In this respect, the IPARD case is relevant not only for assessing Serbia's sectoral performance in agriculture or even EU funds management, but also for evaluating its broader preparedness for EU membership. Post-accession participation in Cohesion Policy and European Structural and Investment funds requires far higher levels of administrative coordination, strategic planning, financial control, and implementation capacity. If Serbia struggles to ensure timely and effective absorption under a more limited and closely monitored pre-accession instrument, this raises serious questions about its institutional readiness to manage substantially larger and more complex funding envelopes after accession.

From a theoretical perspective, the case confirms the central expectation of top-down Europeanization approaches: a large degree of EU-domestic misfit generates substantial adaptation pressure, but the depth of change depends on domestic mediating factors. In Serbia, these factors have not enabled transformative adaptation; rather, centralised decision-making, politicised personnel management, and weak administrative capacity have

channelled that pressure into partial, formal, and uneven compliance. More broadly, Serbia's experience serves as a cautionary case for candidate countries in which formal alignment with the acquis or sectoral preparedness may obscure deeper governance deficits that continue to obstruct implementation. The policy implication is equally clear: without structural reforms aimed at decentralisation, depoliticisation of institutions, and genuine capacity-building, it is unlikely that absorption rates will improve substantially under IPARD III despite increased allocations and procedural adjustments.

Finally, in this paper, we focused primarily on the relationship between domestic governance structures and fund implementation and therefore, important questions remain open for further research, particularly regarding vertical coordination between levels of government and the implementation of the partnership principle and broader multi-level governance mode in Serbia. For that matter, research that would include not only document analysis but also perspectives of beneficiaries, administrative staff, and other stakeholders directly involved in the programme would be beneficial.

References

1. Agrosmart. „Nedimović predao dužnost novoj ministarki Jeleni Tanasković". 27. oktobar 2022, https://agrosmart.net/2022/10/27/nedimovic-predao-duznost-novoj-ministarki-jelenitanskovic/.
2. Börzel, Tanja A. „When Europeanization Hits Limited Statehood. The Western Balkans as a Test Case for the Transformative Power of Europe". *KFG Working Paper Series* no. 30, (September 2011). Kolleg-Forschergruppe (KFG) „The Transformative Power of Europe", Freie Universität Berlin.
3. Ecorys Hrvatska d.o.o. „Ex-Ante Evaluation of the IPARD Programme of the Republic of Serbia for the Period of 2021-2027 Contract No. SER-GA-IC-CS-21-04 Final Report Period covered: July 19th - September 29th". September 29, 2021. https://www.minpolj.gov.rs/download/Ex-ante-evaluation-report-IPARD-III-Programme-2021-2027.pdf,
4. EU in Serbia. „Open Calls for Farmers!". Accessed May 28, 2026. https://europa.rs/open-calls-for-farmers/?lang=en.
5. European Commission. „Annex to the Commission Implementing Decision approving the first release of funds to Serbia under the Reform and Growth Facility for the Western Balkans Assessment of the Conditions for Payments - Serbia". Accessed May 25, 2026, https://enlargement.ec.europa.eu/document/download/e5ebe6f6-83e6-49d9-9f28-03e808b2c59e_en?filename=C_2026_18_1_EN_annexe_acte_autonome_nlw_part1_v2.pdf.
6. European Commission. „Commission Staff Working Document Serbia 2025 Report Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 2025 Communication on EU enlargement policy". SWD(2025) 755 final. Brussels, 4.11.2025.
7. European Commission, Directorate-General for Regional and Urban Policy. „Implementation of the Partnership Principle of the EU Cohesion Policy in Enlargement Countries: Final Report". (Brussels, March 2026). https://ec.europa.eu/regional_policy/sources/studies/PartnershipPrincipleEnlargement/Final_Report_PartnershipPrinciple_candidate_countries.pdf.

8. European Commission. „Overview - Instrument for Pre-accession Assistance“. Accessed May 21, 2026. https://enlargement.ec.europa.eu/funding-technical-assistance/overview-instrument-pre-accession-assistance_en.
9. European Commission. „Serbia - financial assistance under IPA“. Accessed May 21, 2026. https://enlargement.ec.europa.eu/funding-technical-assistance/overview-instrument-pre-accession-assistance/serbia-financial-assistance-under-ipa_en.
10. European Commission. „Screening Report Republic of Serbia: Chapter 22 - Regional Policy and Coordination of Structural Instruments“. (Brussels, 23 October 2015), https://enlargement.ec.europa.eu/document/download/ff3aa499-d3be-471e-9c80-a1484ede6b31_en?filename=screening_report_ch_22_serbia.pdf&prefLang=lt
11. European Union. Regulation (EU) 2024/1449 of the European Parliament and of the Council of 14 May 2024 on establishing the Reform and Growth Facility for the Western Balkans. PE/80/2024/REV/1, OJ L, 2024/1449. 24.5.2024.
12. Ministry of European Integration of the Republic of Serbia. „Action Plan for Chapter 22 - Regional Policy and Coordination of Structural Instruments Adopted“. 8 April 2019. https://www.mei.gov.rs/upload/documents/pristupni_pregovori/akcioni_planovi/action_plan_22.pdf.
13. Министарство пољопривреде, шумарства и водопривреде. „Александар Мартиновић преузео дужност министра пољопривреде, шумарства и водопривреде од Јелене Танасковић“. 7.5. 2024. https://minpolj.gov.rs/aleksandar-martinovic-preuzeo-duznost-ministra-poljoprivrede-sumarstva-i-vodoprivrede-od-jelene-tanaskovic/.
14. Ministarstvo poljoprivrede, šumarstva i vodoprivrede. „Svečano uručena prva IPARD III rešenja o odobravanju projekata u okviru mere 1“. 13.10.2025. https://minpolj.gov.rs/%D1%81%D0%B2%D0%B5%D1%87%D0%B0%D0%BD%D0%BE-%D1%83%D1%80%D1%83%D1%87%D0%B5%D0%BD%D0%B0-%D0%BF%D1%80%D0%B2%D0%B0-%D0%B8%D0%BF%D0%B0%D1%80%D0%B4-iii-%D1%80%D0%B5%D1%88%D0%B5%D1%9A%D0%B0-%D0%BE-%D0%BE/.
15. Ministry of Agriculture, Forestry and Water Management, Serbia. „IPARD in Focus“. No.13, Nov/Dec 2021. https://ipard.gov.rs/wp-content/uploads/2024/05/IPARD-in-Focus-No.-13-NovDec-2021.pdf.
16. N1. „Srbija i BiH bez isplate iz Plana rasta: Ostale zemlje Zapadnog Balkana dobile novac“. 20.5.2026. https://nova.rs/vesti/politika/srbija-i-bih-bez-isplate-iz-plana-rasta-ostale-zemlje-zapadnog-balkana-dobile-novac/.
17. OECD. „Public administration in Serbia 2024: Assessment against the Principles of Public Administration.“ SIGMA Monitoring Reports. ISSN: 3078-8420 (online). Accessed, May 20, 2026, https://doi.org/10.1787/9c2f22f8-en.
18. OECD. „SIGMA Paper No. 77 Ministries in the Western Balkans and selected countries of the European Eastern Neighbourhood“. Accessed May 20, 2026. https://www.sigmaweb.org/content/dam/sigma/en/publications/reports/2026/04/ministries-in-the-western-balkans-and-selected-countries-of-the-european-eastern-neighbourhood_d1ea8809/bca0ceb9-en.pdf.
19. Petrović, Miloš and Ivana Radić Milosavljević. „Preparation of Serbia for the EU Regional Policy and Negotiations in Chapter 22: Regional Policy and Coordination of Structural Funds“. In *The EU Regional Policy and Regional Policy Challenges in Czech Republic, Hungary, Poland, Slovak Republic, Montenegro and Serbia*, edited by Gordana Djurovic. Montenegrin Pan-European Union. 2024.

20. Republic of Serbia Ministry of Agriculture, Forestry and Water Management, Department for Management of IPARD Programme, IPARD Managing Authority. „Final Implementation Report of IPARD II Programme“. Accessed May 25, 2026. https://uap.gov.rs/wp-content/uploads/2025/12/Final-Implementation-Report-on-IPARD-II-Programme.pdf.

21. Risse, Thomas, Maria Green Cowles, and James Caporaso. „Europeanization and Domestic Change: Introduction“ in *Transforming Europe: Europeanization and Domestic Change*. Edited by Maria Green Cowles, James Caporaso, and Thomas Risse. Cornell University Press. 2001.

22. Savremena politika. „By March 31, Serbia had completed only 6 of the planned 34 steps from the Reform Agenda“. Accessed June 3, 2026. https://savremenapolitika.com/srbija-do-31-marta-ispunila-samo-6-od-planiranih-34-koraka-iz-reformske-agende/.

23. Sectoral Agreement between the Government of the Republic of Serbia and the European Commission Setting out Provisions for the Management and Implementation of Union Financial Assistance to Serbia Under the Rural Development Programme of the Instrument for Pre-Accession Assistance (IPARD III), accessed May 22, 2026, https://uap.gov.rs/wp-content/uploads/2023/08/sektorski-ratifikovan.pdf.

24. Simunović, Goran. „Decentralised Implementation System in Serbia“. Government of the Republic of Serbia, Department for Contracting and Financing of EU Funded Programmes, n.d., http://www.evropa.gov.rs/Documents/Home/DACU/5/103/112/127/163/dis_serbia_g_simunovic.pdf.

25. Tanjug. „Vlada Srbije postavila nove VD direktore uprava za veterinu i agrarna plaćanja“. 19. decembar 2022. https://www.tanjug.rs/ekonomija/srbija/3970/vlada-srbije-postavila-nove-vd-direktore-uprava-za-veterinu-i-agrarna-placanja/vest.

26. The World Bank. „Towards Better Jobs“, Western Balkans Regular Economic Report, No.28 Fall 2025. Accessed May 25, 2026. https://documents1.worldbank.org/curated/en/099100625100539134/pdf/P512916-fe1dc2c8-b236-4cfe-ad18-88303a06122e.pdf.

27. Transparentnost Srbija. „Sve manje državnih preduzeća ima zakonitog direktora“. 2.1.2026. https://www.transparentnost.org.rs/sr/aktivnosti-2/saoptenja/12992-sve-manje-drzavnih-preduzeca-ima-zakonitog-direktora.

28. Uprava za agrarna plaćanja. „IPARD III Podrčka ruralnom razvoju“. Acessed May 28, 2026. https://uap.gov.rs/ipard-iii-podrska-ruralnom-razvoju/.

29. Управа за аграрна плаћања. „Кабинет“. Accessed May 19, 2026. https://uap.gov.rs/sektori/kabinet/

30. Vlada Republike Srbije. „Sastav Vlade“. Accessed May 19, 2026. https://www.srbija.gov.rs/biografija/90303/dragan-glamocic.php.

PAPERS FROM THE THIRTEENTH
INTERNATIONAL SCIENTIFIC CONFERENCE
OF THE EUROPEAN STUDIES DEPARTMENT,
JEAN MONNET CENTRE OF EXCELLENCE,
FACULTY OF PHILOSOPHY,
SOFIA UNIVERSITY „ST. KLIMENT OHRIDSKI“

„Risks and Prospects for Europe“

Sofia, 2026

Печатно издание: ISSN: 3134-2353
Онлайн издание: ISSN: 3033-2907

