

Digital Policy as a Driver of Integration: Spillover Effects and European Commission Empowerment

Sebastian Heidebrecht 

Department of Political Science, University of Vienna, Austria

Correspondence: Sebastian Heidebrecht (sebastian.heidebrecht@univie.ac.at)

Submitted: 3 April 2025 **Accepted:** 22 July 2025 **Published:** in press

Issue: This article is part of the issue “The Geopolitics of Transnational Data Governance” edited by Xinchuchu Gao (University of Lincoln) and Xuechen Chen (Northeastern University London), fully open access at <https://doi.org/10.17645/pag.i437>

Abstract

The Russian invasion of Ukraine and the global impact of the pandemic brought digital technology to the forefront of geopolitical strategy and geo-economic considerations, prompting European policymakers to embrace strategic autonomy and digital sovereignty. While existing scholarship has examined EU rhetorical and policy responses, its institutional dynamics have received less attention. This article addresses this gap by examining the growing political influence of the European Commission in terms of both its breadth (the range of issues it engages with) and depth (its decision-making authority). Using primary and secondary sources together with expert interviews, the study reveals that the EU responded to geopolitical threats in two key policy areas: digital service regulation (Digital Services Act and Digital Markets Act) and allocating digital-related financial resources in the context of the Recovery and Resilience Facility. Based on recent theoretical advances regarding EU geo-politicalisation and its geo-economic shift, the article argues that the increased power of the Commission is a result of neofunctional processes broadening its influence. However, this dynamic is more evident in the context of digital service regulation than in the context of financial resources. By analysing this transformation, the study offers a new perspective on the emergence of a more empowered and geopolitically assertive Commission in the era of transnational data governance.

Keywords

digital policy; internet; European integration; European Commission; neofunctionalism; platform regulation; recovery and resilience facility

1. Introduction

In the 2020s, digital technologies and data are evolving into vital economic assets and strategic resources. Consequently, digital governance has become a pivotal arena of geopolitical contention, transcending its

former status as a mere technical or regulatory matter. As major global powers such as the US and China adopt different data regulatory approaches based on conflicting political, economic, and ideological priorities (Bradford, 2023), strategic rivalry and assertions of national sovereignty are increasingly shaping the global digital landscape. These geopolitical challenges (Xuechen & Gao, in press) have prompted a rethink of liberalisation and market integration, with its adoption of more geopolitical approaches triggering the EU “geo-economic turn” (Herranz-Surrallés et al., 2024; McNamara, 2024). While many scholars have investigated policy areas related to digitalisation that have changed in the context of more assertive rhetoric (Lambach & Oppermann, 2022; Pohle & Thiel, 2020), this article demonstrates a development that has often been overlooked. Alongside Commission efforts to make “Europe fit for the digital age” (European Commission, 2020a), institutional and legal changes have resulted in shifts in the EU polity empowering the European Commission. For the first time, the Commission has been granted substantial powers in digital service regulation accompanied by strong fiscal powers to direct digital-related investments.

This article argues that the increased powers of the European Commission—defined as its involvement in a broader range of issues and greater authority in decision-making processes—can be explained as a response to geopolitical tensions and the transnational nature of digital policy (Xuechen & Gao, in press). Taking a neofunctionalist stance, the article posits that the Commission’s recent expansion of its core competencies in the digital sphere was prompted not only by geopolitical pressures but also by the intrinsic features of digital policy. As digital policy intersects with multiple sectors, including economic resilience, environmental aims, and security, effective governance often requires integration beyond national borders. The growing engagement by the Commission in areas such as overseeing major online platforms and coordinating funding for the twin transitions exemplifies this trend. Furthermore, the Commission has cultivated a persuasive discourse that portrays digitalisation as both inevitable and desirable while emphasising the need for European-level governance to shape it. This rhetoric has helped to overcome national resistance by presenting integration as a prerequisite for effective policy implementation in an interconnected world rather than as a loss of sovereignty.

The article contributes to two streams of literature. First, it addresses the debate surrounding changes to the EU’s institutional framework. Previous studies have demonstrated an increase in the powers of various EU institutions (e.g., Heidebrecht, 2017; Rittberger, 2014; Stone Sweet & Sandholtz, 1997). For example, with a specific focus on the EU Commission, Bauer and Becker (2014) found that its competences had expanded in response to the euro crisis. This article focuses on institutional changes in the EU in relation to developments in the emerging field of digital policy and demonstrates that the characteristics of this field, coupled with changes in the external environment, created momentum towards empowerment of the European Commission. Second, the article contributes to the emerging debate on digital policy changes in the EU. Although the EU initially lacked formal expertise in this area, it has gradually established a legislative framework aimed at regulating the digital sphere. Research in this area has examined shifts in EU rhetoric towards concepts such as digital sovereignty, open strategic autonomy (Lambach & Oppermann, 2022; Pohle & Thiel, 2020; Schmitz & Seidl, 2023) and policy changes aimed at greater digital control (Donnelly et al., 2024; Farrand & Carrapico, 2022). This article demonstrates how and why the EU Commission’s stronger role accompanies these policy changes.

In the light of recent events, it is interesting to note that the growing powers of the Commission over digital issues predate the Russian invasion of Ukraine and more complicated relations with the US and China.

Nevertheless, these developments undoubtedly make EU digital policymaking more relevant and raise questions about how the EU adapts its institutional architecture in the digital age. Understanding how the EU responds to external challenges and internal dynamics is essential to grasp how it can assert its powers both internally and externally. Before presenting its findings, the article discusses the development of EU digital policy and geopolitics considering the existing literature, details its theoretical argument, and sets out its empirical strategy. The final section draws conclusions.

2. EU Digital Policy and Institutional Change

Digitalisation has emerged as the central political issue of the 21st century, with Commission President Ursula von der Leyen describing it as a “make-or-break issue” (von der Leyen, 2021) for Europe. The second priority of the von der Leyen Commission for 2019–2024 was to make “Europe fit for the digital age” (European Commission, 2020a). EU digital policy encompasses a wide array of regulatory, industrial, and strategic initiatives aimed at shaping the governance of data, platforms, and emerging technologies (Bonnamy & Perarnaud, 2023). Amid mounting concerns about issues such as disinformation (Howard, 2020), surveillance (Zuboff, 2019), and excessive market power (Khan, 2017), the EU aims to champion its distinctive “human-centric” digital sphere model (European Commission, 2021a). This model envisions a “fundamental-rights-based, inclusive, transparent and open digital environment where secure and interoperable digital technologies and services observe and enhance Union principles, rights and values and are accessible to all, everywhere in the Union” (European Parliament and of the Council of 14 December 2022, 2022, Article 3.1(a)).

The EU approach is often viewed as positioned between the *laissez-faire* approach adopted by the US and the state-controlled model in China. As major powers pursue divergent and competing approaches to digital technologies and policies (Bradford, 2023), strategic rivalry and national assertions of sovereignty increasingly shape the global digital order. Geopolitical challenges (Xuechen & Gao, in press) have led to a rethinking of liberalisation and market integration. As a response, the EU is found to pursue a “geo-economic turn” (Herranz-Surrallés et al., 2024; McNamara, 2024). Increasingly, this policy area is marked by a pronounced geopolitical dimension, with the EU seeing digital technologies and economies as tools to achieve geopolitical objectives (Broeders et al., 2023). For example, the European Commission mobilises digital regulation and industrial policy tools not only to foster innovation and protect fundamental rights but also to enhance EU strategic autonomy in a global digital order shaped by systemic competition and technological dependencies.

In the context of an increasingly geopolitical world, states are seeking to secure and advance their model of digital governance (Haggart & Keller, 2021), and the EU is grappling with the task of preserving its “digital sovereignty” and the promotion of “open strategic autonomy” (Falkner et al., 2024; Schmitz & Seidl, 2023). In this context, academic studies have analysed the concept of EU digital sovereignty and focused *inter alia* on its discursive dimensions (Bellanova et al., 2022; Pohle & Thiel, 2020). One finding on the topic is that the concept can also assert European values (Roberts et al., 2021). Another line of research demonstrates that digital sovereignty contributes to more control of the digital sphere and its different layers, like data, software, protocols, infrastructure, and the like (Floridi, 2020). In this context, the promotion of this new EU digital agenda is found to trigger policy changes and a redefined approach to internet governance. *Inter alia*, geopolitical challenges have necessitated a more dirigiste competition policy on a new “*ex-ante*” approach

(Cini & Czulno, 2022; Hoeffler & Mérand, 2023) and more pronounced inclusion of cyber security concerns in related areas such as EU foreign policy (Carver, 2023) and regulation of digital finance (Donnelly et al., 2024). In broad terms, the EU is observed to be moving away from its “neoliberal bias” (Laurer & Seidl, 2021) and transitioning from a market-liberal to a more public interventionist approach (Farrand & Carrapico, 2022; Heidebrecht, 2024).

However, despite a growing body of literature on EU digital policy, little is known about how the EU has adapted its institutional framework to meet the demands of the digital age. This article is one of the few publications to trace key institutional changes in digital policymaking and one of the first to shed light on the processes through which the European Commission is empowered. It contributes to the debate on EU digital policy and EU institutional governance by demonstrating how the Commission is empowered in digital policymaking.

3. Explaining the Empowerment of the European Commission

This article explains that the European Commission has become more empowered in digital policy by combining three elements: (a) the geopolitical context of digital interdependence; (b) a conceptual framework for measuring institutional and political change; and (c) insights from neofunctionalist theory, particularly neo-neofunctionalist reformulations. The article builds on neofunctionalist theory by showing how useful it is in explaining the dynamics of integration in cross-sectoral and digitally driven policy areas—something that was not addressed by previous studies.

The outcome is captured using the concept of empowerment, which is understood as institutional change in two dimensions (Börzel, 2005): depth, or vertical transfer of competences from member states to EU institutions; and breadth, or expansion of EU authority into new policy domains. This approach is based on well-established literature examining EU integration during crises (Bickerton et al., 2015; Heldt & Mueller, 2021; Schimmelfennig, 2015).

To explain this change, the article draws on neofunctionalist theory which emphasises the dynamic and incremental process of integration. Unlike liberal intergovernmentalism, which views member states as primary actors with fixed preferences, neofunctionalism emphasises spillover effects, feedback loops, and institutional entrepreneurship (Nicoli, 2020; Niemann & Ioannou, 2015; Schmitter, 2013). While liberal intergovernmentalism is well suited to explaining treaty-level decisions driven by state bargaining, it struggles to account for institutional change without a direct government initiative. Examples of this include the evolving role of the European Central Bank (Heidebrecht, 2025) and the creation of the European Financial Stabilisation Mechanism (Gocaj & Meunier, 2013). Although liberal intergovernmentalism is still effective in explaining grand bargains and intergovernmental negotiations, this article explores the explanatory value of neofunctionalist theory in understanding EU policies and strategies related to the digital sphere. Neofunctionalism is particularly relevant when analysing this area because data and digital infrastructure are inherently transnational, transcending national boundaries and regulatory frameworks. Despite its potential, neofunctionalism has largely been overlooked in this context. This article is among the first to apply it systematically to EU digital policy (for another application of neofunctionalism to EU digital policy, see Mazur & Ramiro Troitiño, 2024). In doing so, the analysis contributes to the assessment of the utility of the theory in this critical and emerging area of EU integration.

Three types of spillover are central in neofunctional analysis. Functional spillover is when integration in one area (e.g., market regulation) creates pressure to integrate in others. Political spillover involves shifting loyalties and expectations regarding EU institutions when national-level solutions are inadequate (Haas, 1958). Cultivated spillover is supranational actors, particularly the Commission, proactively extending their remit through agenda-setting, brokering, and framing (Ioannou et al., 2015).

Neofunctionalist theory also identifies the conditions under which spillover, and therefore potential Commission empowerment, is more likely to occur. First, digital policy is highly interdependent and cross-cutting making it a prime example of functional spillover. Regulatory fragmentation increases the “costs of non-integration” which incentivises EU-level solutions. Second, the Commission already has an established role in governance of the digital single market, making a cultivated spillover—for example, in the form of an extension of existing authority—more likely (Deters & Falkner, 2021; Schmidt, 2000). Third, the geo-political dimension of digitalisation, such as cybersecurity threats and global tech competition, acts as a systemic crisis similar to Schmitter’s (1970) “crisis-provoked decisional cycles,” in which uncertainty enables EU institutions to expand their authority. Fourth, digital policy has relatively low salience and enjoys a positive public perception, particularly as part of the EU green and digital transitions (Gao, 2025; Nicoli, 2020), thus providing fertile ground for political and cultivated spillover.

This article builds on so-called neo-neofunctionalist reasoning by combining developments in the international environment with internal dynamics in the theoretical argument, specifically the “synergy” perspective. (Brooks et al., 2023). From this perspective, external crises are viewed as forces mediated by existing institutional structures rather than as exogenous shocks that automatically trigger change. Accordingly, empowerment depends not only on external pressures but also internal spillover dynamics and the ability of the Commission to leverage existing competencies in a path-dependent system. A growing geo-economic framing of EU policy (Bradford, 2023; Herranz-Surrallés et al., 2024) and intensified digital rivalry (Xuechen & Gao, in press) provide the context and opportunity for the Commission to empower itself strategically in the digital domain. Table 1 draws on these theoretical strands to summarise the main types of spillover, their enabling conditions, and the corresponding hypotheses regarding Commission empowerment.

Table 1. Theoretical assumptions.

Type of Spillover	Conditions	Assumptions on Empowerment
Functional Spillover	High policy interdependence and fragmentation in cross-border domains (e.g., digital, economic, environmental) increase the cost of national-level action.	Functional pressures trigger a vertical transfer of competences and expansion into adjacent policy areas via supranational solutions.
Political Spillover	National solutions prove inadequate; shared challenges shift preferences toward EU institutions.	Political realignments facilitate the empowerment of the Commission by legitimising a stronger supranational authority and central coordination.
Cultivated Spillover	The Commission has pre-existing competences; affirmative public discourse and institutional entrepreneurship enhance its agenda-setting role.	Strategic framing enables the Commission to actively expand its authority, reinforcing existing powers and creating new roles.

4. Empirical Strategy

To explore the explanatory power of neofunctional processes empowering the European Commission in the area of EU digital policy, this article traces different spillover processes and looks at the effect of a set of four enabling conditions by means of two case studies on (a) disposal of digital-related financial resources and (b) regulation of digital services. The case selection is guided on the one hand by an approach to confirm the article's neofunctional assumptions by conducting a cross-sectional case study research design (Gerring, 2004). On the other hand, the cases are also chosen to illustrate important phenomena under consideration, namely empowerment of the Commission in important digital-related issues, which is of intrinsic academic and political value, and therefore justifies a case study method (Van Evera, 1997, pp. 67–68).

The selection of cases combines a confirmatory logic with a selection based on crucial cases. In particular, digital service regulation in the EU can be considered a most likely case for neofunctional processes to occur, given the transnational character of data and other elements discussed in Section 3. This means it can serve as a most likely case that in the absence of confirmatory evidence allows theoretical assumptions to be disconfirmed (Seawright & Gerring, 2008). Furthermore, expansion of financial resources is crucial, as they have long been governed by a dedicated intergovernmental structure since the euro crisis. Institutions such as the European Stability Mechanism, the rescue fund set up during the euro crisis, are still not integrated into EU law but are based on international law and run by the governments of the euro area member states. Therefore, the establishment of the Next Generation EU instrument (NGEU) has received much scholarly attention (e.g., Schramm et al., 2022). However, the digital dimension of this has not yet been reflected in the literature. The second case, the design and structure of digital service regulation in the EU, has also received some attention (e.g., Farrand, 2023; Heidebrecht, 2024; Hoeffler & Mérand, 2023). However, most contributions have focused on policy changes that have taken place in the digital policy area, while the institutional dimension has received less attention.

This article applies an in-depth confirmatory case study approach. It is built on an extensive analysis of primary and secondary sources including all the legislative EU documents related to the two cases, official EU institution documents relating to the two cases, and also those of member states, like position papers. The article further uses six issue-oriented interviews with persons holding specialised information and who have been involved in or closely followed the EU policymaking process. The interviews are used for “aggregation” (von Soest, 2023), as experts are well-suited to reducing real-world complexity and bundling together multifaceted phenomena. Thus, the interviews focused on the development of the two cases and in a descriptive manner helped to reconstruct important events while also providing additional information. As expert interviews lend themselves to purposeful, non-probability sampling (Goldstein, 2002; Tansey, 2007), the selection of interviewees combined insider and outsider perspectives and higher- and lower-level inside experts (see Table 2 for an overview). Publicly available data, such as media documents and press releases, were used to further triangulate the information obtained.

Table 2. List of interviews.

Interview	Position	Place	Date
Interview 1	Policy advisor, European Parliament	Brussels	28 June 2023
Interview 2	Policy advisor, European Parliament	Brussels	27 June 2023
Interview 3	Policy analyst, DG Connect	Brussels	26 June 2023
Interview 4	Policy advisor, European Parliament	Brussels	26 June 2023
Interview 5	Policy advisor, European Party	Brussels	25 March 2022
Interview 6	Former member of the European Parliament	Brussels	22 March 2022

5. European Commission Empowerment and EU Digital-Related Policies

The following empirical analysis contrasts two areas of EU digital policy—fiscal resource allocation and digital service regulation—to evaluate the extent and nature of Commission empowerment. Although there is substantial supranational empowerment of the Commission in both areas, the degree to which neofunctionalist spillover mechanisms are evident varies, with digital service regulation providing a more classical example of a functional and cultivated spillover.

The 2020 NGEU package is an unprecedented project as it is the first time the EU is borrowing joint debt. The package is therefore presented as the EU’s “Hamiltonian” moment by some (Kaletsky, 2020), while others are more wary and point to the strict temporary character of the project (Howarth & Quaglia, 2021; Schoeller & Heidebrecht, 2024). At the heart of the NGEU is a large fund of over €670 billion—for consistency and in line with the regulation establishing the Recovery and Resilience Facility (RRF; (EU) 2021/241), the article uses figures based on 2018 prices as defined in Article 6(1) of the RRF regulation—of which 20% is earmarked for digital-related measures. The second case focuses on the 2022 EU digital services package. The package consists of two regulations that realign the powers of large companies with European businesses and citizens, and protect fundamental rights in the EU. Inter alia, the package has been described as a new constitution of the internet (Geese, 2022) and it has been found to increase the accountability of large platform companies (Heidebrecht, 2023).

5.1. Disposal of Digital-Related Financial Resources

The economic contraction triggered by the onset of the unprecedentedly severe global pandemic in early 2020 was particularly acute in the EU (Quaglia & Verdun, 2023). Beyond its immediate health and economic consequences, the crisis revealed significant vulnerabilities in global supply chains, technological dependencies, and data security (European Commission, 2023). The pandemic accelerated the shift towards digitalisation and established technological resilience as a vital aspect of economic security. Lockdowns and social distancing measures led to an unprecedented increase in remote working, digital services, and e-commerce. These developments showed the transnational nature of digital infrastructure and highlighted the need for EU-level coordination concerning resilience, cybersecurity, and data flows. Against this backdrop, the EU’s reliance on foreign digital infrastructure, particularly that of large US-based technology companies, and critical supply chains linked to China put it in a vulnerable position in an increasingly competitive and volatile global order (Interviews 1, 3, 5, and 6). Against this backdrop, the digital domain emerged as a source of strategic vulnerability and a target for integration, creating space for cultivated

spillover. This recognition led the European Commission to launch several initiatives and new strategies, all of which advocate a stronger push towards technological sovereignty. Examples include large-scale investments in AI, cybersecurity, and digital infrastructure to enhance Europe's global competitiveness (European Commission, 2025).

From a digital policy perspective, what sets NGEU apart is that 20% of its €670 billion allocation was earmarked for digital projects—effectively embedding digital transformation in the EU fiscal framework. This design element extended the Commission's influence in national digital strategies supporting the breadth and depth of integration. The massive economic shock of the crisis, combined with existing structural vulnerabilities, prompted some observers to draw parallels with the supreme emergency experienced during the euro crisis (Schoeller & Heidebrecht, 2024). Ultimately, this underscored the need for robust coordinated European action. In response to the unprecedented economic downturn caused by the pandemic, EU leaders recognised a need for a coordinated supranational recovery strategy. This culminated in the European Commission proposing a comprehensive recovery plan aimed at revitalising the European economy, which was unveiled on 27 May 2020. Following extensive negotiations, on 21 July 2020, EU leaders reached an agreement securing an €1.8 trillion recovery package that has been described as constituting an unprecedented historic and paradigmatic change (Buti & Fabbrini, 2023; Kaletsky, 2020).

The creation of the RRF is an instructive test case for the neofunctionalist framework. Although it granted the Commission significant fiscal powers and the ability to influence the digital agendas of member states, this was primarily achieved through strategic political alignment and compromise at the elite level rather than through spillover dynamics. The agreement on the NGEU package is in many ways puzzling as it marked a sharp departure from the austerity-driven approach in the eurozone crisis (de la Porte & Jensen, 2021). The package includes an EU Multiannual Financial Framework of over one trillion euros for 2021–2027 with the €670 billion RRF as its main spending instrument. The RRF represents a paradigmatic shift in European integration. This is driven by the scale of the financial intervention and the novel mechanism of collective borrowing. For the first time, the Commission was authorised to issue common EU debt to finance €390 billion in grants and €360 billion in loans. While the Commission had issued loans before, this was the first large-scale use of non-repayable transfers and it effectively transformed the Commission into a central fiscal actor.

However, a Commission empowered by fiscal integration was highly contested. Consensus among the member states was difficult to achieve due to long-standing divisions over fiscal priorities, economic vulnerabilities, and national philosophies (Interviews 1, 3, and 6; Matthijs & McNamara, 2015; Quaglia & Verdun, 2023). Echoing the dynamics of the euro crisis, the “Frugal Four”—Austria, Denmark, the Netherlands, and Sweden—insisted on strict conditionality, more loans than grants, and robust national oversight (de la Porte & Jensen, 2021). A breakthrough was reached when Germany backed France in proposing a bold grant-based recovery instrument (Howarth & Schild, 2021; Schoeller & Heidebrecht, 2024). The final compromise comprised €338 billion in grants and €385 billion in loans, together with new oversight tools designed to appease fiscally conservative states. This financial innovation expanded the Commission's role from regulatory oversight to coordinating national recovery planning, including digital transformation, which marked a shift towards more proactive fiscal steering (Hodson & Howarth, 2024).

One important feature of the NGEU is its strong and explicit focus on digital transformation. The Commission required at least 20% of the RRF funds to be allocated to digital projects, which reflected

the widespread view that digital sovereignty, cybersecurity, and infrastructure modernisation are strategic imperatives (Interviews 2, 5, and 6). Investments in areas such as artificial intelligence, 5G, cloud computing, and digital skills are aimed at reducing the technological dependence of Europe and boosting its competitiveness in the global digital economy. The earmarked digital funding established a direct channel through which the Commission can influence national digital agendas and align supranational objectives with national implementation—a strategy that conforms with initiatives such as the 2030 Digital Compass (European Commission, 2021a).

This digital dimension is closely tied to what is arguably the most transformative aspect of the NGEU: empowerment of the Commission in fiscal governance. Historically, fiscal policy was decentralised with debt issuance controlled by member states. However, the NGEU broke with this model by introducing common EU-level borrowing and transferring significant fiscal authority to the Commission. The RRF grants the Commission unprecedented influence over national budgets and reforms. This enables the Commission to assess their alignment of recovery plans not only with RRF objectives (Schramm et al., 2022) but also with country-specific recommendations in the European Semester. Many of these recommendations include digital policy priorities (Regulation 2021/241, Article 19(3-b)). This link to the semester embeds digital governance in a broader framework of conditionality, thereby expanding the Commission's agenda-setting and oversight role in an area that has historically been under the control of national governments (Vanhercke & Verdun, 2022).

While the establishment of the RRF exhibits many characteristics of intergovernmental bargaining, several features also suggest the presence of conditions that promote neofunctional dynamics, in particular functional and cultivated spillover. Functional spillover occurs when integration in one area requires further integration in related areas. Prior to the NGEU, the Commission had limited fiscal capacity to directly support digital policy which reflected the EU's historical regulatory rather than fiscal approach. However, the cross-sectoral nature of digitalisation and its deep links with other areas, particularly the green transition, created a demand for more integrated solutions (Gao, 2025). The alignment of digital, environmental, and fiscal goals created favourable conditions for the Commission to attempt to incorporate digital planning in the broader recovery framework, thereby expanding its fiscal toolbox and influence over digital policy.

The earlier reliance by the Commission on regulatory mechanisms resulted in uneven digital development among member states and failed to close the digital divide (European Commission, 2021a). In response, the Commission advocated financial interventions in digital infrastructure, AI, and cybersecurity—areas that required more than harmonisation. The cross-sectoral interdependencies that these interventions created justified the expansion of supranational tools. At the same time, the Commission promoted additional measures such as EU industrial policy and relaxed state aid rules, thereby further reinforcing its institutional role (Meunier & Mickus, 2020; Schmitz et al., 2025).

Since the pandemic, the Commission has increasingly framed the green and digital transitions as mutually reinforcing and strategically aligned with post-pandemic recovery. This alignment is reflected in flagship initiatives such as the European Green Deal (European Commission, 2019), EU industrial strategies (European Commission, 2020b, 2021b), and the action plan for digitalising the energy system (European Commission, 2022b). These initiatives strengthened the case for EU-level coordination. By portraying digital investment as vital to achieve economic resilience, improve energy efficiency, and achieve climate neutrality,

the Commission legitimised deeper policy and budgetary integration through crisis framing and strategic agenda-setting, indicating a cultivated spillover dynamic. This discursive strategy also supported political spillover. The Commission's focus on the "twin transition" helped foster elite consensus and institutional support, including from the European Parliament (Interview 2). National governments expressed this dual commitment in declarations such as the Berlin Declaration (Council of the EU, 2020), the Green and Digital Transformation Declaration (Council of the EU, 2021), and the Toulouse Call (Council of the EU, 2022). These developments are characteristic of the synergistic model of neo-neofunctionalism, whereby crises mediated by institutional entrepreneurship enable lasting changes to governance.

5.2. Digital Services Regulation and the Empowerment of the Commission

From the 2010s, a series of events—ranging from the Arab Spring, Snowden's revelations of the Cambridge Analytica scandal, and Russian interference in the 2016 US election—demonstrated the importance of digital technologies (Farrell, 2012; Ziegler, 2018). These developments raised public and political awareness of the geopolitical implications of digital interdependence (Farrell & Newman, 2019). Large US-based companies such as Google, Amazon, Facebook, Apple, and Microsoft, often referred to as "Big Tech," were scrutinised for their role in market concentration, democratic disruption, and privacy violations (Srnicek, 2017; Zuboff, 2019). Against this backdrop, the European Commission began to reposition itself as a geopolitical actor. This was reflected in Ursula von der Leyen's announcement of a "geopolitical Commission" in 2019, followed by Thierry Breton's calls for "digital sovereignty" (Breton, 2020; von der Leyen, 2019). The subsequent pandemic and war further intensified calls for strategic autonomy and established platform regulation as a central pillar of the EU digital sovereignty agenda. The Commission framed its interventions as being essential not only for consumer protection but also to safeguard democracy and reduce foreign dependencies. This initiated a cultivated spillover process. By linking digital regulation to fundamental rights and European values (European Commission, 2022a), the Commission effectively transformed technical governance into a political imperative.

Against the backdrop of growing geopolitical tension and the increasing power of foreign tech giants, the Commission officially proposed the digital services package in December 2020. The package comprised two regulations, the Digital Services Act (DSA; Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022, 2022) and the Digital Markets Act (DMA; Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022, 2022). This initiative was built on prior consultations and regulatory concerns started under the Juncker Commission which had already identified challenges related to content moderation, platform accountability, and digital market concentration (European Commission, 2016). Furthermore, the Commission recognised that the rules governing the provision of digital services in the EU had remained largely unchanged since the adoption of the e-Commerce Directive in 2000. In the eyes of many, the DSA and DMA represent the EU's most ambitious attempt to regulate the digital economy (Kausche & Weiss, 2024). They reflect a broader transformation in its governance of online platforms and digital markets and result in an empowerment of the Commission. Following extensive negotiations (Heidebrecht, 2024; Hoeffler & Mérand, 2023), the legislative process concluded under the French Council Presidency in April 2022.

The DSA reflects the Commission's ambition to recalibrate the balance of power in the digital space between online platforms, users, and public authorities (Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022, 2022). Aligned with the broader digital strategy (European Commission,

2021a), it asserts EU sovereignty over online services while safeguarding fundamental rights, market fairness, and democratic resilience. Central to the DSA is a tiered regulatory framework which differentiates obligations based on the size and impact of service providers (Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022, 2022, Articles 1–3). By categorising entities from basic intermediaries to very large online platforms—ones with at least 45 million active monthly EU users—the EU ensures proportional regulation. The regulation also strengthens due diligence requirements (Articles 10–15) by mandating legal representatives and compliance with EU standards, even for non-EU firms. A key element is its illegal content moderation mechanism (Articles 16–20), which requires prompt action while upholding freedom of expression as required by the Charter of Fundamental Rights. This dual obligation is operationalised with safeguards such as user redress and transparency requirements.

The DMA complements this shift which marks a structural change in regulating digital markets. Its core concept is the identification of “gatekeepers”—dominant firms that act as systemic intermediaries (DMA-R, 2022, Article 3). Gatekeeper status is based on thresholds such as €7.5 billion in annual revenue or €75 billion in market capitalisation and significant user bases in member states. The DMA imposes ex-ante obligations (Articles 5–7) to address market distortions before they materialise. These include bans on self-preferencing, data monopolisation, and exclusionary bundling—practices that have historically entrenched platform dominance. For example, Article 6 prohibits favouring a firm’s own services in rankings and marketplaces while Article 5 prevents cross-service leveraging.

Both regulations significantly expand the Commission’s authority, both in terms of depth by granting vertical enforcement powers and in terms of breadth by establishing new areas of intervention in platform governance at the supranational level. They differ in important elements from previous far-reaching regulations like the General Data Protection Regulation (GDPR), which is enforced at the member state level but suffers from enforcement bottlenecks (Ryan & Toner, 2021). In the DSA, the Commission assumes a central enforcement role for very large online platforms alongside national Digital Services Coordinators (Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022, 2022, Art. 49–74), and by mandating risk assessments, independent audits and transparency reports (Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022, 2022, Article 24–30, 33–43) the Commission institutionalises ex ante oversight of platform behaviour, thus moving beyond reactive enforcement to a more structured governance model. The concept is mirrored in the DMA, in which the concentration of enforcement power in the European Commission is a defining feature (Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022, 2022, Article 29–37). Unlike traditional competition law, which involves national competition authorities and often relies on ex-post assessments, the DMA gives the Commission direct control over gatekeepers, coupled with ex-ante measures. This shall allow for rapid intervention and preventive structural measures. The empowerment of the Commission is also reflected in the power to impose fines, which is significantly higher than in the GDPR, for example, up to 6% of global turnover in the DSA and up to 10% of global turnover in the DMA. The latter can even rise to 20% for repeated infringements.

The transnational nature of platform services creates clear conditions for functional spillover, as digital platforms operate in multiple member states simultaneously, thus bypassing traditional territorial governance. The failure of previous self-regulatory and market-driven models, which was exposed by persistent abuses of market power, misinformation, and privacy violations (Farrand, 2023), revealed the

growing “costs of non-integration” and the systemic risks posed by Big Tech. National authorities struggled to enforce fragmented rules, particularly in legal domains spanning competition, consumer protection, and fundamental rights. This made the case for supranational governance increasingly compelling (Interview 2). In response, the Commission positioned itself as the central actor capable of coordinating cross-border enforcement, primarily through the DSA and the DMA.

Beyond addressing functional demands, the Commission also framed platform regulation strategically in a broader narrative of protecting European values and digital sovereignty (Falkner et al., 2024), thereby indicating a cultivated spillover dynamic. By invoking widely resonant concepts such as “open strategic autonomy” and the need to defend fundamental rights against non-European corporate power (Schmitz & Seidl, 2023), the Commission was able to legitimise deeper integration and central oversight. Broadly supportive public discourse also played a key role in shaping the attitudes of national governments which suggests the presence of political spillover. Many of the issues raised by large platform companies, such as unfair competition, the spread of illegal content, and harmful online behaviour, were recognised as shared challenges by member state governments (Bertuzzi, 2021; Council of the EU, 2022; Kayali, 2021). This positive framing was reinforced by high-profile events and testimony from Frances Haugen, a former Facebook employee, before the European Parliament on 6 May. Haugen revealed that Facebook algorithms had contributed to the dissemination of misinformation and toxic content (Haugen, 2021) thereby helping to galvanise political momentum for stronger EU-level action.

Not all governments were equally enthusiastic, however. Ireland, home to the European headquarters of several major tech firms, voiced scepticism about ex-ante regulation in the Digital Services package. The country asked the Commission to demonstrate that so-called “gatekeeper platforms” were genuinely stifling innovation or limiting market contestability (Stalton, 2020). Conversely, countries such as Germany and France, which had already introduced national legislation such as the NetzDG and Avia laws, recognised the limitations of fragmented national approaches and began to advocate a unified EU framework (Gorwa, 2021; Kayali, 2021). These experiences catalysed political spillover by showing national policymakers that unilateral approaches were insufficient, thus shifting elite expectations and reinforcing demands for EU-wide solutions (Interviews 2, 3, 5). The presence of these dynamics suggests that as the perceived need for coherent cross-border oversight increased, national leaders became more open to the European Commission playing a stronger role—especially as it became clear that unilateral action was insufficient to address the scale and complexity of digital platform governance.

6. Conclusion

Following the adoption of the digital services package (DSA and DMA) in 2022 and the launch of the RRF in 2021, the European Commission became a more interventionist institution with greater decision-making power over digital policy. It has grown in both the depth and breadth of its authority—engaging with national-level digital initiatives through the RRF—and in its decision-making power, particularly through its supervisory role regarding major digital platforms. While this shift is often presented as part of a broader EU push for digital sovereignty (Falkner et al., 2024), this article has demonstrated that digital policymaking has triggered institutional changes concerning Commission empowerment. Furthermore, the article has demonstrated spillover dynamics relating to the characteristics of the digital policy area and its relationship with other areas, particularly the EU twin digital and green transitions, in terms of the Green Deal.

The results of this article align with, but also extend beyond, existing scholarship on the evolving role of the Commission. Scholars such as Hoeffler and Mérand (2023) and Seidl and Schmitz (2023) describe the role of the Commission as increasingly dirigiste and emphasise its ability to influence national policy agendas. Similarly, Farrand and Carrapico (2022) identify a broader shift towards a “neo-mercantilist” model of governance. These trends are part of a wider geopolitical shift in EU governance (Herranz-Surrallés et al., 2024; McNamara, 2024). However, this article has revealed a novel aspect of this transformation: a combination of increased regulatory activism with substantial fiscal powers via the RRF. Taken together, these developments move the EU beyond Majone’s (1994) classic model of the regulatory state.

This article has adopted a neofunctionalist approach to explain this institutional evolution. It has shown that the Commission’s empowerment does not arise solely in response to external crises but also through the interplay of incremental integration dynamics. The influence of the Commission over the design and implementation of the RRF illustrates that fiscal integration is promoted by an entrepreneurial Commission and spillovers between fiscal integration and digital policy. The article has also aligned with the neo-neofunctionalist “synergy” perspective (Brooks et al., 2023) which views crises as mediated by pre-existing institutional capacities rather than as exogenous shocks that mechanically drive integration. While traditional neofunctionalism emphasises endogenous spillovers, this article has shown that geopolitical events such as the war in Ukraine and the global impact of the pandemic can reinforce these processes, particularly in the context of digital-specific conditions. These include regulatory interdependence in the context of transnational data flow, established Commission competences in governing the single market, the perceived weaponisation of digital interdependence, and a positive discursive environment for EU action in the digital sphere.

Although neofunctionalist theory suggests that functional interdependence naturally leads to integration, this framework is particularly effective in explaining the development of regulations on digital services. In this area, spillover dynamics are strong and are closely aligned with the core assumptions of the theory, given the presence of all four conditions mentioned above (interdependence, established competences, perceived external threat, and positive discursive environment). However, the explanatory power of neofunctionalism is more limited when applied to digital-related financial resources. While the framework identifies some enabling conditions and spillover effects (fewer explicit problems arising from regulatory fragmentation, no established Commission competences, a potentially conflictive public discourse along the lines of the euro crisis), integration in this area is more strongly shaped by member state bargaining, particularly given the controversial nature of fiscal integration. In this context, integration did not arise solely from objective interdependence between policy areas. Instead, the European Commission actively shaped the trajectory of integration by constructing a narrative that legitimised the NGEU initiative. By linking the NGEU to broader EU strategic priorities, namely digital transformation and the green transition, the Commission framed fiscal innovation as essential to achieve the EU’s long-term aims. This helped generate political support for deeper EU-level planning in the digital domain.

Table 3 illustrates these empirical dynamics by summarising the types of spillover observed in the two case studies—NGEU and digital service regulation—and their respective contributions to Commission empowerment. Overall, this article has demonstrated that although neofunctionalism provides valuable insights into the dynamics of supranational empowerment, particularly in regulatory domains such as platform governance, it is less effective in explaining outcomes driven primarily by intergovernmental

bargaining. In the case of financial resources, the interdependent nature of the issue and regulatory fragmentation were more difficult to prove. Also, the Commission literally has no established role in this area on which it can build. Therefore, strategic leadership and elite consensus, based on interest-driven negotiations, were also decisive in the fiscal dimension. This provides evidence of important factors beyond neofunctional spillover dynamics. Although neofunctionalist spillovers were particularly evident in digital service regulation, both cases demonstrate empowerment through increased depth (vertical transfer of competences) and breadth (expansion into new digital or fiscal domains).

Table 3. Summary of the study's argument.

Type of Spillover	Digital-Related Financial Resources	Digital Services Regulation
Functional Spillover	The integration of fiscal support with digital and green targets addressed the interdependency between crisis recovery and structural transformation. It supported new EU budget instruments and digital planning at the EU level.	The fragmented nature of national rules and the systemic risks posed by Big Tech led to a need for EU-wide regulatory frameworks, vertical oversight by the Commission, and new areas of intervention.
Political Spillover	Amid national limitations, member states and the public supported EU-level responses. Digital investments were framed as shared strategic aims facilitating supranational budgetary coordination.	Recognising shared risks, such as misinformation and market concentration, shifted political preferences towards EU solutions and empowered the Commission in enforcing regulations on platforms.
Cultivated Spillover	The Commission presented the NGEU as being essential for the EU twin transition and its strategic autonomy. It leveraged the crisis to build support for fiscal innovation and supranational planning.	The Commission used crises such as the Cambridge Analytica scandal, the pandemic, and the war in Ukraine, and strategic framing such as the protection of democracy and digital sovereignty to justify new enforcement powers.

As Table 2 shows, the two cases reveal different yet complementary spillover dynamics. In the case of the RRF, for example, the European Commission played a role in fostering a favourable narrative on digitalisation. Arguably, this narrative not only advanced the Commission's regulatory agenda but also served to justify the need for closer fiscal integration. By overseeing and approving member state recovery plans, which must devote at least 20% of funding to digital investments, the Commission gained considerable leverage over national digital policies. These plans are evaluated against EU-wide priorities, particularly the digital objectives set out in European Semester country-specific recommendations. This creates a conditional framework in which access to funding depends on alignment with EU digital aims which enables the Commission to influence national reforms. In doing so, the influence of the Commission extends beyond standard-setting into fiscal governance and impacts the direction and implementation of digital policies.

By contrast, the case of digital service regulation shows that functional, political, and cultivated spillovers operated more strongly in the traditional regulatory domain of the Commission. The increasing number of fragmented national rules and mounting concerns over the cross-border influence of Big Tech created functional pressures for harmonisation and EU-level enforcement. The DSA and the DMA introduced vertical oversight mechanisms, thus granting the Commission direct supervisory powers over systemic platforms. Politically, high-profile scandals such as the Cambridge Analytica affair and the spread of disinformation reshaped public and government expectations and shifted preferences towards stronger

supranational control. Cultivated spillover was also significant. The Commission strategically presented digital regulation as vital to defend European values, democratic resilience, and digital sovereignty. By presenting itself as the sole entity capable of addressing transnational risks and ensuring accountability, the Commission broadened its remit from agenda-setting to enforcement. These developments further support the neo-neofunctionalist view of crisis-mediated integration with the Commission leveraging functional interdependence and favourable discourse to consolidate regulatory authority.

Writing in mid-2025 and looking ahead, it is unclear whether the recent expansion of the Commission's powers will result in deeper and more lasting European integration. The Commission's recent empowerment was largely shaped by a combination of favourable conditions (which varied in the two cases) based on the high interdependence of the digital dimension, such as transnational data flows coupled with regulatory fragmentation, the Commission's established role in regulatory policies, perceived geopolitical challenges, and low salience coupled with affirmative public discourse related to EU action in the digital domain. All of these conditions can change. For example, a more conflict-prone US government could engage in targeted lobbying efforts, particularly in economically dependent member states such as Ireland. This could reinforce internal divisions and hinder progress towards cohesive EU action. Furthermore, the EU's limited and uneven digital industrial capabilities could further complicate matters. Another issue relates to potentially divergent elite preferences across member states that may also become subject to the political influence of Big Tech. Against this backdrop, EU policymakers would be wise to seek a supranational compromise that enables cohesive EU action. Research could analyse the causes and effects of changes to these conditions, such as how national elites promote national or EU sovereignty, what this means in relation to other digital powers and the reasons behind it.

Acknowledgments

The author would also like to thank the participants of the 2023 UACES Conference in Belfast for their constructive comments on an earlier version of this article. The guest editors of the special issue on *The Geopolitics of Transnational Data Governance*, Xinchuchu Gao and Xuechen Chen, the participants of an online workshop in this context, as well as three anonymous reviewers also provided very useful feedback on earlier versions of this article.

Funding

The author would like to thank the Faculty of Social Sciences for their financial support in proofreading this article.

Conflict of Interests

The author reports no conflict of interest.

LLMs Disclosure

This article was the author's first attempt at using LLMs. Specifically, these models were used to review the language and grammar of the article's initial drafts. For this purpose, the authors used a combination of ChatGPT, DeepL, and Grammarly, also to gain an understanding of their usability for academic purposes. The authors also occasionally asked the LLMs for suggestions regarding topic sentences and rephrasing of paragraphs out of curiosity. While some of these suggestions proved useful (for example, when writing at late hours) and were interesting, they basically always required substantial human adjustment and

verification. The quality of the final version of this text was, afterwards and in addition to the author, substantially improved by a human proofreader (I would like to thank David Barnes for his help). I remain responsible for all errors.

References

- Bauer, M. W., & Becker, S. (2014). The unexpected winner of the crisis: The European Commission's strengthened role in economic governance. *Journal of European Integration*, 36(3), 213–229. <https://doi.org/10.1080/07036337.2014.885750>
- Bellanova, R., Carrapico, H., & Duez, D. (2022). Digital/sovereignty and European security integration: An introduction. *European Security*, 31(3), 337–355. <https://doi.org/10.1080/09662839.2022.2101887>
- Bertuzzi, L. (2021, November 17). DSA: EU ambassadors reach agreement to start interinstitutional negotiations. *Euractiv*. <https://www.euractiv.com/section/tech/news/dsa-eu-ambassadors-reach-agreement-to-start-interinstitutional-negotiations>
- Bickerton, C. J., Hodson, D., & Puetter, U. (2015). The new intergovernmentalism: European integration in the post-Maastricht era. *JCMS: Journal of Common Market Studies*, 53(4), 703–722. <https://doi.org/10.1111/jcms.12212>
- Bonnamy, C., & Perarnaud, C. (2023). Introduction: EU digital policies and politics. *Politique européenne*, 81(3), 8–27.
- Börzel, T. A. (2005). Mind the gap! European integration between level and scope. *Journal of European Public Policy*, 12(2), 217–236. <https://doi.org/10.1080/13501760500043860>
- Bradford, A. (2023). *Digital empires: The global battle to regulate technology*: Oxford University Press.
- Breton, T. (2020). *Speech by commissioner Thierry Breton at Hannover Mese digital days* [Speech transcript]. European Commission. https://ec.europa.eu/commission/presscorner/detail/en/speech_20_1362
- Broeders, D., Cristiano, F., & Kaminska, M. (2023). In search of digital sovereignty and strategic autonomy: Normative power Europe to the test of its geopolitical ambitions. *JCMS: Journal of Common Market Studies*, 61(5), 1261–1280. <https://doi.org/10.1111/jcms.13462>
- Brooks, E., de Ruijter, A., Greer, S. L., & Rozenblum, S. (2023). EU health policy in the aftermath of Covid-19: Neofunctionalism and crisis-driven integration. *Journal of European Public Policy*, 30(4), 721–739. <https://doi.org/10.1080/13501763.2022.2141301>
- Buti, M., & Fabbrini, S. (2023). Next generation EU and the future of economic governance: towards a paradigm change or just a big one-off? *Journal of European Public Policy*, 30(4), 676–695. <https://doi.org/10.1080/13501763.2022.2141303>
- Carver, J. (2023). More bark than bite? European digital sovereignty discourse and changes to the European Union's external relations policy. *Journal of European Public Policy*, 31(8), 2250–2286. <https://doi.org/10.1080/13501763.2023.2295523>
- Cini, M., & Czulno, P. (2022). Digital single market and the EU competition regime: An explanation of policy change. *Journal of European Integration*, 44(1), 41–57. <https://doi.org/10.1080/07036337.2021.2011260>
- Council of the European Union. (2020). *Berlin declaration on digital society and value-based digital government*. https://ec.europa.eu/newsroom/dae/document.cfm?doc_id=75984
- Council of the European Union. (2021). *A green and digital transformation of the EU*. <https://ec.europa.eu/newsroom/dae/redirection/document/74940>
- Council of the European Union. (2022). *Digital Services Act: Council and European Parliament reach deal on a safer online space*. <https://www.consilium.europa.eu/en/press/press-releases/2022/04/23/digital-services-act-council-and-european-parliament-reach-deal-on-a-safer-online-space>

- Council of the European Union. (2022). *Toulouse call for a green and digital transition in the EU*. https://www.economie.gouv.fr/files/files/2022/Call_for_Green_Digital_Transition_EU.PDF
- Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the digital decade policy programme 2030. (2022). *Official Journal of the European Union*, L 323/4. <https://eur-lex.europa.eu/eli/dec/2022/2481/oj/eng>
- de la Porte, C., & Jensen, M. D. (2021). The next generation EU: An analysis of the dimensions of conflict behind the deal. *Social Policy & Administration*, 55(2), 388–402. <https://doi.org/10.1111/spol.12709>
- Deters, H., & Falkner, G. (2021). Remapping the European agenda-setting landscape. *Public Administration*, 99(2), 290–303. <https://doi.org/10.1111/padm.12716>
- Donnelly, S., Ríos Camacho, E., & Heidebrecht, S. (2024). Digital sovereignty as control: the regulation of digital finance in the European Union. *Journal of European Public Policy*, 31(8), 2226–2249. <https://doi.org/10.1080/13501763.2023.2295520>
- European Commission. (2016). *Communication on online platforms and the digital single market opportunities and challenges for Europe* (COM(2016) 288 final). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52016DC0288>
- European Commission. (2019). *The green deal* (COM(2019) 640 final). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52019DC0640>
- European Commission. (2020a). *Commission work programme 2020. A Union that strives for more* (COM(2020) 37 final). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52019DC0640>
- European Commission. (2020b). *A new industrial strategy for europe* (COM (2020) 102). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52020DC0102>
- European Commission. (2021a). *2030 Digital compass: The European way for the digital decade* (COM(2021) 118 final). <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52021DC0118>
- European Commission. (2021b). *Updating the 2020 new industrial strategy: Building a stronger single market* (COM (2021) 350). https://commission.europa.eu/document/9ab0244c-6ca3-4b11-bef9-422c7eb34f39_en?prefLang=de
- European Commission. (2022a). *The Digital Services Act: Ensuring a safe and accountable online environment*. https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age/digital-services-act-ensuring-safe-and-accountable-online-environment_en
- European Commission. (2022b). *Digitalising the energy system—EU action plan*. (COM(2022) 552 final). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52022DC0552>
- European Commission. (2023). *European economic security strategy*. (JOIN(2023) 20 final). <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023JC0020>
- European Commission. (2025). *Moving forward together: A bolder, simpler, faster Union* (COM(2025) 45 final). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52025DC0045>
- Falkner, G., Heidebrecht, S., Obendiek, A., & Seidl, T. (2024). Digital sovereignty—Rhetoric and reality. *Journal of European Public Policy*, 31(8), 2099–2120. <https://doi.org/10.1080/13501763.2024.2358984>
- Farrand, B. (2023). The ordoliberal internet? Continuity and change in the EU's approach to the governance of cyberspace. *European Law Open*, 2(1), 106–127. <https://doi.org/10.1017/elo.2023.14v>
- Farrand, B., & Carrapico, H. (2022). *Digital sovereignty and taking back control: From regulatory capitalism to regulatory mercantilism in EU cybersecurity*. Unpublished manuscript.
- Farrell, H. (2012). The consequences of the internet for politics. *Annual Review of Political Science*, 15(1), 35–52. <https://doi.org/10.1146/annurev-polisci-030810-110815>
- Farrell, H., & Newman, A. L. (2019). Weaponized interdependence: How global economic networks shape state coercion. *International Security*, 44(1), 42–79. https://doi.org/10.1162/isec_a_00351

- Floridi, L. (2020). The fight for digital sovereignty: What it is, and why it matters, especially for the EU. *Philosophy & Technology*, 33(3), 369–378. <https://doi.org/10.1007/s13347-020-00423-6>
- Gao, X. (2025). The EU's twin transitions towards sustainability and digital leadership: A coherent or fragmented policy field? *Regional Studies*, 59(1), Article 2360053. <https://doi.org/10.1080/00343404.2024.2360053>
- Geese, A. (2022). *European Parliament votes on constitution for the internet*. [Press release]. <https://www.greens-efa.eu/en/article/press/european-parliament-votes-on-constitution-for-the-internet>
- Gerring, J. (2004). What is a case study and what is it good for? *American Political Science Review*, 98(2), 341–354. <https://doi.org/10.1017/S0003055404001182>
- Gocaj, L., & Meunier, S. (2013). Time will tell: The EFSF, the ESM, and the euro crisis. *Journal of European Integration*, 35(3), 239–253. <https://doi.org/10.1080/07036337.2013.774778>
- Goldstein, K. (2002). Getting in the door: Sampling and completing elite interviews. *PS: Political Science & Politics*, 35(4), 669–672. <https://doi.org/10.1017/S1049096502001130>
- Gorwa, R. (2021). Elections, institutions, and the regulatory politics of platform governance: The case of the German NetzDG. *Telecommunications Policy*, 45(6), Article 102145. <https://doi.org/10.1016/j.telpol.2021.102145>
- Haas, E. B. (1958). The challenge of regionalism. *International Organization*, 12(4), 440–458.
- Haggart, B., & Keller, C. I. (2021). Democratic legitimacy in global platform governance. *Telecommunications Policy*, 45(6), Article 102152. <https://doi.org/10.1016/j.telpol.2021.102152>
- Haugen, F. (2021, November 8). *Public hearing on whistle-blower's testimony on the negative impact of tech companies' products on user: Opening statement by Frances Haugen* [Video]. European Parliament. https://multimedia.europarl.europa.eu/it/video/whistleblowers-testimony-on-the-negative-impact-of-big-tech-companies-products-on-user-extracts-from-the-opening-statement-by-frances-haugen-imco-committee_l213404
- Heidebrecht, S. (2017). Trying not to be caught in the act: Explaining European Central Bank's bounded role in shaping the European Banking Union. *Journal of Contemporary European Research*, 13(2), 1125–1143. <https://doi.org/10.30950/jcer.v13i2.785>
- Heidebrecht, S. (2023). Platform accountability in the European Union: The cases of data protection and digital services regulation. *Politique européenne*, 81, 142–168. <https://doi.org/10.3917/poeu.081.0142>
- Heidebrecht, S. (2024). From market liberalism to public intervention: Digital Sovereignty and changing European Union digital single market governance. *JCMS: Journal of Common Market Studies*, 62(1), 205–223. <https://doi.org/10.1111/jcms.13488>
- Heidebrecht, S. (2025). *European Central Bank reform after the financial crisis: Technocratic empowerment*. Routledge. <https://doi.org/10.4324/9781003363620>
- Heldt, E. C., & Mueller, T. (2021). The (self-)empowerment of the European Central Bank during the sovereign debt crisis. *Journal of European Integration*, 43(1), 83–98. <https://doi.org/10.1080/07036337.2020.1729145>
- Herranz-Surrallés, A., Damro, C., & Eckert, S. (2024). The geoeconomic turn of the single European market? Conceptual challenges and empirical trends. *JCMS: Journal of Common Market Studies*, 62(4), 919–937. <https://doi.org/10.1111/jcms.13591>
- Hodson, D., & Howarth, D. (2024). The EU's recovery and resilience facility: An exceptional borrowing instrument? *Journal of European Integration*, 46(1), 69–87. <https://doi.org/10.1080/07036337.2023.2243378>
- Hoeffler, C., & Mérand, F. (2023). Digital sovereignty, economic ideas, and the struggle over the digital markets

- act: A political-cultural approach. *Journal of European Public Policy*, 31(8), 2121–2146. <https://doi.org/10.1080/13501763.2023.2294144>
- Howard, P. N. (2020). *Lie machines: How to save democracy from troll armies, deceitful robots, junk news operations, and political operatives*. Yale University Press.
- Howarth, D., & Quaglia, L. (2021). Failing forward in economic and monetary union: explaining weak Eurozone financial support mechanisms. *Journal of European Public Policy*, 28(10), 1555–1572. <https://doi.org/10.1080/13501763.2021.1954060>
- Howarth, D., & Schild, J. (2021). Nein to ‘transfer union’: the German brake on the construction of a European Union fiscal capacity. *Journal of European Integration*, 43(2), 209–226. <https://doi.org/10.1080/07036337.2021.1877690>
- Ioannou, D., Leblond, P., & Niemann, A. (2015). European integration and the crisis: Practice and theory. *Journal of European Public Policy*, 22(2), 155–176. <https://doi.org/10.1080/13501763.2014.994979>
- Kaletsky, A. (2020, May 21). Europe’s Hamiltonian Moment. *Project Syndicate*. <https://www.project-syndicate.org/commentary/french-german-european-recovery-plan-proposal-by-anatole-kaletsky-2020-05>
- Kausche, K., & Weiss, M. (2024). Platform power and regulatory capture in digital governance. *Business and Politics*, 27(2), 284–308. <https://doi.org/10.1017/bap.2024.33>
- Kayali, L. (2021, May 27). France’s plan to rein in Big Tech (and Ireland and Luxembourg) *Politico*. <https://www.politico.eu/article/france-ireland-luxembourg-big-tech-regulation-apple-amazon-facebook-google-digital-services-act-digital-markets>
- Khan, L. M. (2017). Amazon’s antitrust paradox. *Yale Law Journal*, 126(710), 712–805.
- Lambach, D., & Oppermann, K. (2022). Narratives of digital sovereignty in German political discourse. *Governance*, 36(3), 693–709. <https://doi.org/10.1111/gove.12690>
- Laurer, M., & Seidl, T. (2021). Regulating the European data-driven economy: A case study on the general data protection regulation. *Policy & Internet*, 13(2), 257–277. <https://doi.org/10.1002/poi3.246>
- Majone, G. (1994). The rise of the regulatory state in Europe. *West European Politics*, 17(3), 77–101. <https://doi.org/10.1080/01402389408425031>
- Matthijs, M., & McNamara, K. (2015). The euro crisis’ theory effect: Northern saints, southern sinners, and the demise of the eurobond. *Journal of European Integration*, 37(2), 229–245. <https://doi.org/10.1080/07036337.2014.990137>
- Mazur, V., & Ramiro Troitiño, D. (2024). Digitalization, neofunctionalism, and integration in the European Union. In D. Ramiro Troitiño (Ed.), *E-Governance in the European Union: Strategies, tools, and implementation* (pp. 7–22). Springer.
- McNamara, K. R. (2024). Transforming Europe? The EU’s industrial policy and geopolitical turn. *Journal of European Public Policy*, 31(9), 2371–2396. <https://doi.org/10.1080/13501763.2023.2230247>
- Meunier, S., & Mickus, J. (2020). Sizing up the competition: explaining reform of European Union competition policy in the Covid-19 era. *Journal of European Integration*, 42(8), 1077–1094. <https://doi.org/10.1080/07036337.2020.1852232>
- Nicoli, F. (2020). Neofunctionalism revisited: Integration theory and varieties of outcomes in the Eurocrisis. *Journal of European Integration*, 42(7), 897–916.
- Niemann, A., & Ioannou, D. (2015). European economic integration in times of crisis: a case of neofunctionalism? *Journal of European Public Policy*, 22(2), 196–218. <https://doi.org/10.1080/13501763.2014.994021>
- Pohle, J., & Thiel, T. (2020). Digital sovereignty. *Internet Policy Review*, 9(4). <https://doi.org/10.14763/2020.4.1532>

- Quaglia, L., & Verdun, A. (2023). The Covid-19 pandemic and the European Union: politics, policies and institutions. *Journal of European Public Policy*, 30(4), 599–611. <https://doi.org/10.1080/13501763.2022.2141305>
- 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). *Official Journal of the European Union*, L 265/1. <http://data.europa.eu/eli/reg/2022/1925/oj>
- 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). *Official Journal of the European Union*, L 277/1. <http://data.europa.eu/eli/reg/2022/2065/oj>
- Rittberger, B. (2014). Integration without representation? The European parliament and the reform of economic governance in the EU. *JCMS: Journal of Common Market Studies*, 52(6), 1174–1183. <https://doi.org/10.1111/jcms.12185>
- Roberts, H., Cows, J., Casolari, F., Morley, J., Taddeo, M., & Floridi, L. (2021). Safeguarding European values with digital sovereignty: An analysis of statements and policies. *Internet Policy Review*, 10(3). <https://doi.org/10.14763/2021.3.1575>
- Ryan, J., & Toner, A. (2021). *Europe's enforcement paralysis ICCL's 2021 report on the enforcement capacity of data protection authorities*. Irish Council for Civil Liberties. <https://www.iccl.ie/digital-data/2021-gdpr-report>
- Schimmelfennig, F. (2015). Liberal intergovernmentalism and the euro area crisis. *Journal of European Public Policy*, 22(2), 177–195. <https://doi.org/10.1080/13501763.2014.994020>
- Schmidt, S. K. (2000). Only an agenda setter? The European Commission's power over the council of ministers. *European Union Politics*, 1(1), 37–61.
- Schmitter, P. C. (1970). A revised theory of regional integration. *International Organization*, 24(4), 836–868.
- Schmitter, P. C. (2013). Ernst B. Haas and the legacy of neofunctionalism. In T. Börzel (Ed.), *The disparity of European integration* (pp. 39–56). Routledge.
- Schmitz, L., & Seidl, T. (2023). As open as possible, as autonomous as necessary: Understanding the rise of open strategic autonomy in EU trade policy. *JCMS: Journal of Common Market Studies*, 61(3), 834–852. <https://doi.org/10.1111/jcms.13428>
- Schmitz, L., Seidl, T., & Wuttke, T. (2025). The costs of conditionality. IPCEIs and the constrained politics of EU industrial policy. *Competition & Change*. Advance online publication. <https://doi.org/10.1177/10245294251320675>
- Schoeller, M. G., & Heidebrecht, S. (2024). Continuity despite crises: Germany's euro policy in the light of the pandemic, war and inflation. *Journal of European Public Policy*, 31(9), 2509–2533. <https://doi.org/10.1080/13501763.2023.2218883>
- Schramm, L., Krotz, U., & De Witte, B. (2022). Building 'next generation' after the pandemic: The implementation and implications of the EU Covid Recovery Plan. *JCMS: Journal of Common Market Studies*, 60(S1), 114–124. <https://doi.org/10.1111/jcms.13375>
- Seawright, J., & Gerring, J. (2008). Case selection techniques in case study research: A menu of qualitative and quantitative options. *Political Research Quarterly*, 61(2), 294–308. <https://doi.org/10.1177/1065912907313077>
- Seidl, T., & Schmitz, L. (2023). Moving on to not fall behind? Technological sovereignty and the 'geo-dirigiste' turn in EU industrial policy. *Journal of European Public Policy*, 31(8), 2147–2174. <https://doi.org/10.1080/13501763.2023.2248204>
- Srnicek, N. (2017). *Platform capitalism*. Polity Press.

- Stalton, S. (2020, December 18). Digital brief, powered by Google: DSA and DMA—member states respond. *Euractiv*. <https://www.euractiv.com/section/digital/news/digital-brief-powered-by-google-dsa-and-dma-member-states-respond>
- Stone Sweet, A., & Sandholtz, W. (1997). European integration and supranational governance. *Journal of European Public Policy*, 4(3), 297–317. <https://doi.org/10.1080/13501769780000011>
- Tansey, O. (2007). Process tracing and elite interviewing: a case for non-probability sampling. *PS: Political Science & Politics*, 40(4), 765–772.
- Van Evera, S. (1997). *Guide to methods for students of political science*: Cornell University Press.
- Vanhercke, B., & Verdun, A. (2022). The European semester as goldilocks: Macroeconomic policy coordination and the recovery and resilience facility. *JCMS: Journal of Common Market Studies*, 60(1), 204–223. <https://doi.org/10.1111/jcms.13267>
- von der Leyen, U. (2019). *Speech by President-elect von der Leyen in the European Parliament Plenary on the occasion of the presentation of her College of Commissioners and their programme, 27 September 2019* [Speech transcript]. European Commission. https://ec.europa.eu/commission/presscorner/detail/en/speech_19_6408
- von der Leyen, U. (2021). *State of the Union address by President von der Leyen* [Speech transcript]. European Commission. https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_21_4701
- von Soest, C. (2023). Why do we speak to experts? Reviving the strength of the expert interview method. *Perspectives on Politics*, 21(1), 277–287. <https://doi.org/10.1017/S1537592722001116>
- Xuechen, C., & Gao, X. (in press). Editorial to the thematic issue. *Politics and Governance*.
- Ziegler, C. E. (2018). International dimensions of electoral processes: Russia, the USA, and the 2016 elections. *International Politics*, 55(5), 557–574. <https://doi.org/10.1057/s41311-017-0113-1>
- Zuboff, S. (2019). *The age of surveillance capitalism: The fight for a human future at the new frontier of power*. Hachette Book Group.

About the Author



Sebastian Heidebrecht (PhD, Duisburg-Essen) is an assistant professor at the Centre for European Integration Research (EIF), housed in the University of Vienna's Department of Political Science.