

SUMMARY.

In this work, I meticulously addressed how politics and policies are involved in structuring society, highlighting the decisive manner in which these elements shape every aspect of social and economic life. The thesis argues that politics transcends the simple struggle for power or management of societal resources, emphasizing that it is indispensable for any form of social organization. Moreover, the influence of politics on how societies develop, adapt, and respond to various challenges is essential for understanding social dynamics.

This work acknowledges and highlights the importance of politics as a foundation of human interactions, asserting that politics constitutes an intrinsic dimension of human existence that surpasses the limits of specific historical and social contexts. From this perspective, politics is perceived not only as a mechanism of administration but also as a fundamental force shaping the structure and evolution of human communities.

In the context of a global landscape fragmented by divergent interests, the interpretation of politics can be bifurcated into two main paradigms. In a noble interpretation inspired by Aristotelian thought, politics is conceived as the art of harmonizing social interests and pacifying relations among members of society. According to this perspective, politics serves a higher purpose, mediating and reconciling differences to promote the common good. On the other hand, in a more popular and possibly more cynical connotation, politics is often viewed as a domain dominated by compromises where reality can be distorted and where moral principles are frequently suspended in favor of pragmatic or strategic interests.

Since its initial implementation, the Common Agricultural Policy (CAP) has been driven by the imperative of stabilizing agricultural production and ensuring food security in the post-war context. Over time, starting with the ambitious reforms proposed by Sicco Mansholt to the crucial discussions at the Stresa Conference, the CAP has played a crucial role in efforts to integrate and harmonize agricultural policies at the European level. This example illustrates how politics can influence vital sectors of the economy and contribute to shaping the overall socio-economic landscape.

Exploring more deeply the relationship between politics and social organization, this paper proposes a detailed analysis of the ubiquitous role of politics in shaping social norms and managing economic complexities. It is argued that far from being merely a tool for the struggle for power or the management of resources, politics is an essential catalyst for the evolution and adaptability of societies. This perspective emphasizes the necessity of a profound

understanding of political mechanisms to fully appreciate how societies can respond effectively to internal and external changes.

The discussion of politics as the art of harmonization and pacification highlights its role in reconciling conflicting interests within society. Drawing inspiration from Aristotelian philosophy, it is recognized that politics in its noblest form aspires to achieve the common good. By mediating conflicts and facilitating dialogue between groups with divergent interests, politics can transform dissensions into opportunities for development and social cohesion. This process not only promotes stability but also enriches the social matrix by integrating multiple perspectives into a framework of collective action.

On the other hand, the analysis of the more detracting dimension of politics highlights the adaptability and flexibility required in a political landscape frequently marked by pragmatism. This perspective emphasizes the political reality where compromise and negotiation are often inevitable. Although this approach may seem at odds with traditional ethical principles, it reflects the complexity of political decisions in uncertain contexts where decisions must balance normative ideals with pragmatic and immediate needs.

Regarding the Common Agricultural Policy, its example illustrates how politics can play a decisive role in the agricultural sector, a vital area for food security and economic stability in the region. Through its initiatives, from market stabilization to the promotion of sustainable practices, the CAP demonstrates how strategically oriented politics can directly and substantially influence major economic sectors. The CAP reforms, through their ambition and complexity, represent a clear example of how politics not only responds to immediate needs but also anticipates and shapes the conditions for a sustainable future.

Thus, this work consolidates the vision that politics is much more than a power game or a set of administrative procedures; it is a vital force that forms the fabric of society, stimulating progress and adaptability in the face of continuous challenges. Therefore, a deep understanding of politics is essential for any comprehensive analysis of social structures and processes.

Sicco Mansholt, one of the key architects of the CAP, was a fervent supporter of modernizing European agriculture towards increased efficiency and sustainability. Through his reforms, Mansholt aimed not only at increasing agricultural productivity but also at significantly improving farmers' living conditions. This involved a holistic vision of agricultural policy where economic aspects intertwine with social and ecological ones, reflecting a profound understanding of the interconnections between various areas of rural life.

In the context of the development and modernization of European agriculture, Sicco Mansholt's figure remains emblematic. As one of the main architects of the CAP, Mansholt

had a profound vision aimed not only at making agricultural production more efficient but also at promoting sustainable practices and significantly improving the living conditions of European farmers. The reforms initiated by him reflect a holistic and innovative approach to agricultural policy, integrating economic, social, and ecological aspects into a coherent framework that meets the multiple needs of the sector. Mansholt saw the need for radical change in post-war European agriculture, emphasizing increased productivity through mechanization and modernization, but also the conservation of natural resources through sustainable agricultural practices. His vision was ahead of its time, anticipating environmental issues that have become central in later debates. This included promoting crop rotation, rational use of fertilizers and pesticides, and implementing efficient irrigation techniques, all aimed at reducing negative environmental impacts and ensuring long-term agricultural production.

The Stresa Conference, held in 1958, was a defining moment in consolidating and crystallizing the fundamental principles of the CAP. During this framework, clear directions for the future of European agriculture were established, with an emphasis on market unification and community preference, laying the foundations for an integrated and competitive agricultural market at the European level. The history of the CAP reflects a dynamic and responsive evolution that has constantly responded to internal and external challenges through a series of strategic adjustments and reforms. These transformations not only reshaped the European agricultural landscape but also had a significant impact on the economic and social policy of the European Union. In this sense, the CAP has demonstrated a remarkable capacity to adapt and reform in the face of global changes and the evolving needs of member states.

The CAP reform, in particular, illustrated the duality between the need to respond to complex challenges and the necessity of managing tensions between the diverse national interests of member states. This highlighted how agricultural policy can and must adapt to the conditions of a constantly changing global environment. Through its reforms, the European Union has sought to balance and harmonize the agricultural interests of member states with the dynamics of the global market, demonstrating the essential role of politics in managing and reconciling conflicting interests in a way that promotes long-term sustainability and competitiveness.

An important example of this adaptability was the reform of the 1990s, which introduced direct payments for farmers decoupled from production to reduce overproduction and promote more environmentally friendly agricultural practices. This marked a significant shift from production-based subsidies to one that encourages sustainability and ecological responsibility.

Research emphasizes that despite often negative perceptions related to corruption or the dominance of interests, politics remains fundamental to the structuring and functioning of any society. It is imperative to understand the complexity and dynamics of political processes to navigate and influence these processes effectively in a way that favors sustainable and equitable societal development.

The reform and evolution of the CAP show a continuous process of negotiation between the multiple and often conflicting interests of member states, demonstrating how agricultural policies can evolve to respond to the dynamic challenges of a globalized world. It is essential to recognize and understand this complexity to navigate effectively in the political processes that influence the sustainable development of society. This requires a more ethical and transparent approach to politics, which is crucial for ensuring effective governance and establishing a sustainable and equitable framework for the future.

The work advocates for a more ethical and transparent approach to political practices, emphasizing that integrity and responsibility in governance are essential for ensuring long-term social progress and stability. This approach would not only contribute to a better understanding and appreciation of the role of politics in society but could also restore public trust in governmental and political institutions.

Chapter I, entitled "The Common Agricultural Policy as an Object of Scientific Research," offers an exhaustive analysis of the CAP, discussing its foundations, historical evolution, applied theoretical frameworks, and significant reforms over time. Established in 1962, the CAP has played a crucial role in promoting economic development, environmental protection, and social cohesion in the European Union, transforming from a set of measures aimed at stabilizing agricultural markets into a complex instrument for managing agriculture and rural development.

The chapter begins with an exploration of the definitions and interpretations of the CAP, highlighting its main objectives of ensuring fair incomes for farmers and providing quality and sufficient food for European consumers. The evolution of the CAP is analyzed through the lens of three major theoretical approaches: functionalism, neofunctionalism, and intergovernmentalism, each offering different perspectives on the role and impact of the CAP in the process of European integration.

Functionalism interprets the CAP as a catalyst for extended cooperation, facilitating the coordination of agricultural policies between member states and thus contributing to greater functional integration in the EU. Neofunctionalism, on the other hand, emphasizes the role of supranational institutions in promoting integration, suggesting that the CAP has stimulated the

development of common structures and processes that transcend national boundaries. Intergovernmentalism, in contrast, focuses on the negotiation of national interests within the EU, recognizing that although there is coordination at the supranational level, major decisions are often the result of consensus among member state governments.

The CAP reforms, including the MacSharry reforms of 1992, the 2003 reform that introduced decoupling direct payments from production, and the 2013 reform that added new tools and mechanisms to address contemporary challenges, are analyzed in detail. These reforms illustrate the continuous adaptation of the CAP to political, economic, and social dynamics, reflecting the CAP's response to agricultural crises, climate change, and environmental needs as well as global economic pressures. Additionally, the way the CAP has facilitated Europeanization by harmonizing agricultural norms and practices among member states and promoting integration and cohesion in the EU is discussed. It is emphasized that the CAP has not only shaped the European agricultural landscape but has also significantly contributed to the political and economic integration of member states within the EU structure.

The detailed and comprehensive analysis of the CAP in this chapter provides a solid foundation for understanding its pivotal role in European policy and its impact on the European economy and society. Additionally, the work explores the impact and efficiency of the CAP in Romania, evaluating how this policy has influenced the sustainable development of Romanian agriculture and improved the living conditions of farmers in this country. The main objective of the thesis is to assess the CAP's contribution to sustainable development and the adaptation of Romanian agriculture to European standards and requirements in a globalized and constantly changing context.

Chapter II, entitled "The Common Agricultural Policy and Romania. Analysis of Competence Categories," offers a detailed analysis of the impact of CAP integration on Romania's economy since joining the European Union in 2007. This chapter addresses the consequences of CAP integration on agriculture and the national economy, highlighting the essential role that agriculture plays in Romania's economy and how the CAP has catalyzed the development of this vital sector. Initially, the chapter provides an insight into Romania's pre-accession context, characterized by significant structural problems in the agricultural sector, such as excessive land fragmentation and insufficient investment, which inhibited the modernization and efficiency of agriculture. These pre-accession conditions highlighted the urgent need for reform and adaptation to European standards to ensure a successful transition within the CAP.

With integration into the CAP, Romania began to benefit from direct financial support through the single area payment scheme (SAPS), aiming to improve agricultural sector performance and living conditions in rural areas. The analysis details the distribution and use of over 22 billion euros received between 2007 and 2020, funds allocated for both increasing agricultural productivity and rural development initiatives.

The tangible benefits of this integration are discussed, such as the modernization of rural infrastructure, improved access to modern technologies in agriculture, and support for young farmers through specific funding programs. At the same time, persistent challenges, including extensive bureaucracy and administrative complexity that often hinder the process of accessing European funds, are addressed, showing the need for systemic reforms to simplify and streamline the use of financial resources. The chapter also emphasizes the importance of the continuous adaptation of agricultural policy to effectively respond to current and future climatic and demographic challenges. An integrated approach to rural development is argued for, including not only farm modernization but also promoting economic diversification in rural areas to reduce dependence on agriculture and stimulate sustainable economic growth.

The research provides a comprehensive perspective on the impact of the CAP on Romanian agriculture, illustrating both successes and encountered difficulties. A development model is proposed that recognizes and leverages Romania's unique potential in the European agricultural context, promoting a vision that integrates sustainability and innovation as main pillars of future growth. This analysis serves as a foundation for developing policies and strategies adapted to Romania's specific needs within a united and dynamic Europe. Through a detailed analysis of the CAP's impact on Romanian agriculture, it offers a solid basis for understanding significant changes and the necessary action directions for optimizing the benefits of the common agricultural policy in Romania's specific context.

In the literature, the concept of CAP is analyzed from the perspective of its contribution to food security and the competitiveness of the agricultural sector. Hayami and Ruttan (1985) argue that CAP must balance growth and economic sustainability needs, while Harris (2003) emphasizes the importance of institutions in effectively implementing sustainable development policies. Roederer-Rynning's vision oscillates between the CAP being a protectionist fortress and adopting a more liberal and open approach, reflecting the tensions between traditional protectionism and the need for liberalization and adaptation to global market conditions.

The impact of the CAP on rural development can be analyzed from the perspective of the social and economic effects of direct subsidies and environmental measures on rural communities. Authors such as Lupu (2020) and Guth et al. highlight that despite positive

intentions, the effects of the CAP on small farms and disadvantaged areas are mixed, with notable improvements in certain regions but also with the persistence of structural inequalities. This underscores the need to continuously recalibrate and adjust CAP tools to reflect the diversity and regional specificities of European agriculture.

Chapter III explores a comprehensive review of the literature on the CAP, analyzing its impact, implemented reforms, and socio-economic implications on member states, with a particular focus on Romania and Bulgaria. Authors who have written about the importance of the CAP in ensuring economic growth and maintaining economic balance according to Hayami and Ruttan's theories are discussed. They argue that although the CAP is vital for agricultural progress, agriculture does not have sufficient internal political power to trigger economic development on its own. Harris adds that the institutional conditions created by the CAP are essential for sustainable agriculture development, setting objectives and development directions through specific tools.

The literature also highlights the role of the CAP as a political fortress. Roederer-Rynning suggests that the CAP has evolved into a more open and differentiated legislative mechanism, emphasizing direct payments to producers and reducing the CAP's capacity to distort the market. Scharpf discusses the traps of joint decisions that strengthen action networks in public policies, consolidating the power of national interests.

Regarding the impact on Romania, Șurubaru demonstrates that although Romania benefited from significant capital injections from EU funds in the first decade after accession, their effects on economic convergence are ambivalent. Additionally, studies highlight the discrepancies between various EU member states such as Denmark and Romania in terms of agricultural incomes and structure, emphasizing the need for continuous reforms to make the CAP fairer and more efficient.

The CAP has been the subject of repeated reforms, trying to respond to external pressures and internal needs. Skostad, for example, attributes the reforms to external commercial pressures, while Tiberghien discusses the competition for leadership between the European Commission and the Council, which led to high regulatory standards.

Recent studies propose an econometric analysis of CAP direct payments, emphasizing the need for greater transparency in reporting expenditures and evaluating their efficiency. This approach is essential to ensure that the CAP contributes to sustainability objectives and the economic needs of the agricultural sector.

The methodology used illustrates the approaches for data collection and analysis, crucial in evaluating the CAP's efficiency and impact on Romanian agriculture. The adopted

methodology combines qualitative and quantitative methods, providing a holistic perspective on the studied subject. Quantitative research includes the analysis of statistical data from national and European institutions such as the National Institute of Statistics and Eurostat. These data allow the evaluation of economic and social trends in Romanian agriculture and the measurement of the direct impact of CAP subsidies and regulations on productivity and sustainability. Quantitative analysis is complemented by using econometric models to test established theoretical hypotheses and evaluate causal relationships.

Combining diverse data analysis methods allows not only testing the validity of hypotheses from various angles but also triangulating data for greater accuracy and reliability of results. Thus, the methodological chapter establishes a solid foundation for the thesis analysis, ensuring that interpretations and conclusions are well supported by robust and representative empirical evidence of the realities of agriculture under the CAP in Romania. This complex and well-structured methodological approach is essential for understanding the extent of the impact of European agricultural policies on a member state with a significant agricultural economy.

A crucial point of discussion is the need for harmonizing agricultural policies among EU member states. This is considered crucial for leveling the differences in support offered to farmers, leading to a more efficient and fair common agricultural market. Harmonizing the CAP would not only facilitate fair competition among European farmers but also ensure a more equitable distribution of resources and subsidies vital for the sustainability and development of agriculture in each member state.

The thesis emphasizes that although significant progress has been made in coordinating agricultural policies at the EU level, there are still marked discrepancies in how member states implement and benefit from CAP provisions. Differences in administrative capacity, national economic priorities, and the specific social and ecological contexts of each member state contribute to this variety in the effectiveness of CAP implementation. For example, states with well-developed infrastructure and efficient administration can absorb European agricultural funds more quickly and completely, unlike states with less developed administrative systems.

Furthermore, the research explores how these discrepancies affect the competitiveness and sustainability of agriculture in different regions of the Union. In states where the CAP is effectively implemented, there is an increase in productivity and sustainable agricultural practices. In contrast, in states where there are difficulties in accessing funds or adapting to European directives, farmers may lag behind others in terms of innovation and sustainability.

The discussion suggests that achieving true harmonization and efficiency of the CAP requires improved collaboration between member states and EU institutions. This would

involve not only adjustments to financing and monitoring mechanisms but also exchanges of best practices and expertise to ensure that all member states can implement the CAP effectively. Through this integrated and coordinated approach, the European Union could not only enhance the CAP's efficiency but also contribute to more sustainable and equitable agricultural development across the continent.

The analysis of data collected through questionnaires reveals a notable division among Romanian farmers regarding the perceived benefits of SAPS. Farmers' responses highlight that while SAPS serves as a form of financial security guaranteeing a basic income, it fails to sufficiently stimulate the adoption of more sustainable and innovative agricultural practices. This deficit is shown to be a major concern for the long-term sustainability of agriculture in Romania.

Some farmers emphasize that SAPS subsidies are essential for immediate economic survival but stress that they are structured in a way that does not encourage investments in new technologies or ecological production methods. For example, subsidies may be linked to cultivated area, motivating farmers to expand cultivated areas at the expense of focusing on improving yields per unit area or on ecological agricultural practices.

Moreover, the research revealed that the lack of a clear differentiation between subsidies for conventional and ecological practices makes the option for sustainability financially less attractive. In the absence of strong financial incentives for sustainable practices, many farmers choose to continue with conventional methods that are less costly in the short term despite the potential long-term benefits of sustainability.

Additionally, farmers express a need for more technical and educational assistance in implementing innovative and sustainable practices. Education in areas such as soil management, water conservation, and efficient resource use could improve farmers' capacity to adopt more environmentally friendly practices even in the context of existing subsidies.

To address these issues, reconsidering the SAPS structure to include clearly defined incentives for adopting green technologies and sustainable practices would be useful. This could involve, for example, bonuses for farmers who adopt precision agriculture techniques or convert their lands to organic farming, improving both environmental sustainability and the long-term viability of the farm.

Therefore, it is essential that subsidy policies be reevaluated and adapted to better meet the needs of farmers and the challenges related to the long-term sustainability of Romanian agriculture. This could significantly contribute to the transition towards greener and more innovative agriculture in Romania.

The thesis conclusions underline the importance of a thorough review of the Common Agricultural Policy, emphasizing the need for future reforms to strategically focus on improving sustainability and adaptability to climate change. This involves a firm commitment to developing and adopting agricultural practices that not only protect the environment but also enhance the resilience of European farms to climate volatility and other ecological stresses. It is crucial to integrate innovative technologies and advanced production methods that can increase agricultural productivity without compromising natural resources or biodiversity.

Moreover, the thesis argues that CAP reforms should include specific mechanisms to support the interests of small and medium-sized farmers who often face disproportionate challenges in accessing funds and resources compared to large farms. This could mean adjusting eligibility criteria and application processes to make them more accessible to farmers with limited resources, as well as creating support programs that specifically address their needs and constraints.

Additionally, improved collaboration between member states and EU institutions is essential for a more equitable and efficient implementation of the CAP. Such collaboration should focus on sharing best practices, aligning national policies with CAP objectives, and using coordinated resources and information to ensure that all member states can equally benefit from the subsidies and support offered. Harmonizing legislation and administrative procedures at the EU level could reduce bureaucracy and facilitate quicker and easier access to necessary funds.

Effective implementation of these policies could contribute to creating an agricultural policy that not only responds to the immediate needs of farmers but also lays the foundation for a more sustainable and competitive European agricultural sector globally. This will require a long-term vision and the commitment of all stakeholders to transform European agriculture into a model of sustainability and innovation.

A common issue in the literature and data analysis, although the Common Agricultural Policy has established framework definitions for key concepts such as "young farmer," "active farmer," and "new farmer," the responsibility to define "small farmers" has been left entirely to the member states. This is not necessarily problematic, as what is considered "small" in one country can be considered large in another. However, none of the evaluated member states offer a clear legal definition of "small farmer" in their National Strategic Plans, although this classification is essential for small farmers' ability to access specific funds or participate in programs. The criteria proposed by the Commission in 2023 have not led to the national implementation of a definition for small farmers in the NSP, let alone harmonization. The 2022

SAPS reform, which serves to balance the distribution of direct payments in favor of small and medium-sized farms, is currently the only mandatory measure from which small farms could benefit. As it is up to the member states to determine a farm's eligibility to receive the new payments, there is a risk that redistribution funds will be allocated to farms that can hardly be considered small.

For example, while Portugal allocates direct payments for the first 20 hectares of farms with a maximum of 100 hectares, Germany allocates payments for the first 60 hectares, and the Czech Republic for no less than the first 150 hectares – both without a maximum. This ties into a broader observation, namely that NSPs seem primarily to maintain existing agricultural structures according to the countries' cultural and geographical context, as presented in section 4, rather than actively promoting a transition to better support for small farmers in general. In this context, as a first policy recommendation, a simple approach to address this concern is to cap the size of "small farms" at the EU level through a harmonized definition or to require member states to determine a substantial legal definition of small farms based on guidelines provided by the Commission.

Secondly, although the new redistribution measures are mandatory, national governments can decide both the size of the supplement and the maximum number of hectares to which it will apply as part of their National Strategic Plans. Member states also have the option to circumvent this obligation by demonstrating that redistribution needs are already met mainly through other instruments and interventions funded by the European Agricultural Guarantee Fund.

At opposite ends of the redistribution support spectrum, we find the Czech Republic and Latvia. The Czech Republic implements the largest redistribution support budget among all member states, dedicating 23% of direct payments to this. However, these funds are distributed to all farms within the first 150 hectares. This approach does not directly target small farmers, diluting the significant intention behind this financial support. On the other hand, Latvia opted to allocate only 9% of the direct payment cap for redistribution while adopting a more specific direct payment measure that directly targets small farmers, contributing to reducing income disparities between small farmers and other sectors of the economy.

Although I do not fully support the complete elimination of direct payments to small farmers, as this could exacerbate their competitive disadvantage compared to larger farmers, I recognize their potential to become distorted incentives. This distortion ties to the variations in member states' commitment to redistribution efforts to ensure that CAP objectives regarding the promotion of small farmers' position, as well as broader objectives of promoting

sustainability, competitiveness, and equity in diverse agricultural contexts within the EU, are met, requiring robust monitoring and evaluation of existing and proposed interventions. As it stands, member states are responsible for setting up a monitoring committee, with Commission members participating in an advisory capacity. The main recommendation would be to strengthen the position of small farmers in these evaluations to assess progress and identify barriers or create premises for eliminating subsidies for them.

Globally and in the EU, direct payments and small farmers play a crucial role in food production, landscape and biodiversity management, rural development, and cultural heritage. However, the position of small farmers is increasingly threatened as agricultural policies continue to promote the intensification and mechanization of agricultural production. Identifying a gap in existing literature regarding the attention paid to area-based direct payments and the influence these sums have on a nation's balance of payments as well as the legal position of small farms within the CAP and national implementation, this work addressed the following research questions: How does the CAP address the position of farmers and to what extent do EU member states' Strategic Plans reflect the emphasis on competitiveness and sustainability as the cornerstone of EU agriculture?

Although agricultural policies increasingly aim to preserve and promote the important role of biodiversity and small farms in the transition to sustainable food systems, I conclude that the proposed interventions at the national level vary significantly in terms of commitment and scope. Specifically, I identified key issues related to (1) the lack of accounting destination for the amounts granted through SAPS; (2) the lack of a unified definition of competitiveness in agriculture at the EU and member state levels, complicating small farmers' eligibility for aid and support programs; (3) possibilities to bypass effective redistribution measures; (4) the lack of effective mechanisms for the uniform implementation of interventions related to promoting integrated food chains and the lack of concrete measures and measurable objectives for the massive export of unprocessed raw materials; (5) limited commitment to fundamental challenges to the position of small and medium farmers, including complex administrative procedures and lack of market access.

In light of the findings, I argue that the increased discretion of member states in the CAP to tailor financial support based on national economic, social, and structural needs is a double-edged sword. On the one hand, national governments reshape the CAP, transforming it from a predominantly top-down and rigid policy into an instrument where each EU country can experiment and, within the limits of common objectives, redesign priorities. On the other hand, flexibility can lead to low-ambition implementation pathways, especially for environmental

and climate objectives, a risk requiring additional attention. Currently, National Strategic Plans primarily reflect maintaining existing agricultural structures rather than making a fundamental shift towards anchoring small and medium farmers as "cornerstones" in EU agriculture. Further policy research and evaluations are needed to determine if this is indeed the case. Additionally, there is a strong need for further interdisciplinary and empirical research on the life experiences and economic situations of small farmers in member states to investigate whether the proposed interventions by member states help preserve and promote their integral position in the EU agricultural landscape.

Another serious issue ensuring a vulnerability to the national economy is the "subsidy export." This concept refers to the situation where direct payments granted to farmers through the Common Agricultural Policy are indirectly transferred outside the economic area of the European Union because the beneficiaries of these subsidies have their headquarters in non-European countries. This phenomenon can raise certain issues related to the initial intention of the subsidies and their effectiveness in promoting agriculture and rural development within the European Union.

Direct payments are intended to support farmers to remain competitive, manage price fluctuations of agricultural products, adapt to market demands, and maintain sustainable agricultural practices. These subsidies are funded by taxpayers from EU member states and are meant to contribute to the region's rural and economic development objectives. When the beneficiaries of these funds are companies or entities headquartered outside the EU, the money can be effectively "exported" outside the Union. This can lead to a financial resource drain from the EU that could otherwise be invested in supporting local farmers and rural economies within the Union. Moreover, there may be a discrepancy between the goals of CAP policies and the actual results if the funds do not directly help agriculture and local communities in the EU.

One of the potential negative effects is the reduction of the desired impact of the CAP in ensuring food security and protecting the environment since investments may not be made in improving agricultural practices or in ecological technologies but rather redistributed outside the EU for purposes that do not align with CAP objectives. In this context, it is essential that CAP regulations be reviewed and adapted to ensure that direct payments are effectively used to support farmers and communities in Europe. This could involve implementing stricter controls on subsidy eligibility so that entities benefiting from CAP funds are required to demonstrate that they are directly invested in EU agriculture. Additionally, greater

transparency and monitoring of financial flows may be necessary to prevent any abuses or improper uses of funds.

Regarding the ethical aspect of direct payments and the issue of unfair distribution of direct payments, it is a major concern since there is a significant discrepancy between the amounts received by large farmers compared to those received by small farmers. This issue highlights the power and resource access differences between different types of farmers within the European Union. According to available reports and analyses, large farmers receive a disproportionately large share of total direct payments. For example, a 2020 Greenpeace environmental organization report shows that 1% of EU farms receive approximately 32% of total direct payments, while about 80% of small farms share only 20% of these funds. This phenomenon creates a major imbalance where resources that could help sustain and develop small farms are accumulated by large entities, often multinational or large agribusiness corporations.

For small farmers, direct payments are often so small that they serve only as subsistence aid and do not provide real support for business development or access to wider markets. These insufficient payments force many small farmers to focus on self-consumption, limiting their ability to invest in modern technologies or sustainable agricultural practices that could increase efficiency and production. Additionally, the lack of adequate funds prevents small farmers from competing in national or international markets where larger farmers with significant resources can dominate.

This unfair distribution of direct payments underscores the need for urgent reform within the CAP. It is necessary to implement a fairer system that prioritizes the needs of small farmers and ensures a more equitable distribution of resources. Reform proposals may include setting firm caps (without opt-out options) on direct payments so that no entity receives a disproportionately large amount to the detriment of smaller farmers. Additionally, to promote more sustainable and equitable European agriculture, it is crucial to address these disparities in direct payment distribution. An ethical reform within the CAP could not only more effectively support small farmers but also contribute to broader sustainability and equity objectives within the EU agricultural sector. Implementing such changes will require firm commitment from policymakers and careful monitoring to ensure that new rules are effective and that the entire spectrum of European farmers benefits.

Finally, I emphasize that from the analysis of issues related to the Common Agricultural Policy and its impact on farmers in the European Union, several critical points and reform needs have emerged. The unfair distribution of direct payments favoring large farmers to the

detriment of small farmers is a fundamental aspect that requires immediate attention. This imbalance not only perpetuates existing inequalities in the agricultural sector but also limits small farmers' ability to contribute to the EU's sustainability and food security objectives.

The first major problem is the lack of a clear and coherent definition at the EU level for "small farmer," complicating their access to CAP funds and support programs. Without a unified definition, member states may apply different standards, leading to uneven policy application and difficulties in evaluating and monitoring the impact of these policies at the EU level.

Secondly, I highlight the issue of "subsidy export," where direct payments intended to support EU farmers may end up benefiting entities outside the Union. This phenomenon directly undermines the CAP's goal of supporting rural development and sustainable agriculture within the European Union.

Thirdly, the flexibility granted to member states in implementing the CAP, while it can be seen as a way to adapt policies to specific local contexts, can also lead to low-ambition implementation of environmental and climate objectives, requiring increased attention and regulation to prevent this risk.

To address these issues, a comprehensive reform of the CAP is crucial, including setting a cap on direct payments, introducing clear and unified definitions for different categories of farmers, and implementing strict measures to prevent subsidy export. Additionally, strengthening the monitoring and evaluation of policies to ensure that they meet their objectives in a fair and efficient manner is necessary. A reformed and well-regulated CAP could not only restore fairness among European farmers but also substantially contribute to sustainability, competitiveness, and equity objectives in various agricultural contexts within the EU, consolidating the essential role of small farmers in achieving these goals.