

# Unravelling the digital divide: An in-depth examination of trust, acceptance, and inequalities in the digitalization landscape

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## Abstract

The digital transformation is a defining feature of the technological development in last decades, with an accelerated intensity in the context of the COVID-19 crisis. As a process allowing all territories at all levels, from local to global, and all socio-demographic categories, the expected impact was a radical change in production structures, with a significant increase in productivity, and a profound transformation of society through the general increase in well-being and the promotion of a more interconnected and fairer world. Digitalisation has confirmed a positive impact on economic growth, on productivity and economic competitiveness, as well as strengthening the resilience. The COVID crisis is an example of this (Zhang, et al, 2022). Also, digitization is a factor supporting sustainable development, having a high potential to contribute to the reduction of negative effects on the environment and climate change.

However, recent studies reflect a process of decoupling digitization and technological development from increasing productivity and well-being, and reality confirms a "digital divide" process at different levels that risks accentuating existing inequalities (Heeks, 2022). Some countries and regions/places and some people have a reduced capacity to adapt to the digital transformation. This can be determined by the quality of the institutions, the social capital, the territorial capital endowment, the human capital and the individual adaptive performance, the resilience capacity, the governance systems, the public policies effectiveness, and many other conditions. A complex typology of "left behind places" at different levels will combine with a variety of typologies of "left behind people", the digital inequalities, potentially amplifying already existing disparities. Thus, winning areas and people will move together with losing areas and people, in a more unequal society and economy at individual, local,

regional, national, and international level, with a controversial impact from the perspective of the global sustainable development objectives and also of the EU strategic trends.

In the European Union, the cohesion and the perspectives of the inequalities at different levels and from various perspectives have a strategic relevance, taking into account the high risks that inequalities present and their accentuation for the functioning of the internal market and the monetary union, but also from the perspective of integration as a whole. Therefore, the problem of digitization from the perspective of the inequalities dynamics is a strategic issues and reflects a high concern for policy making.

So, we are living, in a period in which the digitalisation become an integral part of the contemporary society, being elevated as top priority in the majority of European countries and regions. While, it's positive transformative potential is vast (and acknowledged), there is a growing concern, supported by recent data, that the digitalization process accentuates existing inequalities. Traditionally, research efforts have primarily focused on understanding these disparities at a macroscale, usually at a regional (NUTS 2) or national (NUTS 0) levels. However, this overused approach falls short in providing a comprehensive understanding of the nuanced dynamics at play. Our study argues for the necessity of examining digitalization-induced inequalities at the individual level, shedding light on the multifaceted dimensions that contribute to the persons and places left-behind.

To achieve this goal, a comprehensive survey was conducted in Romania on a representative national sample. The survey covered a wide range of aspects related to the use of digital instruments, access to digital infrastructure, trust in digital platforms and the managing institutions. The findings reveal intriguing insights into the digital inequalities. Despite the widespread assumption of major rural-urban differences, the research suggests that such contrasts are not as stark as anticipated. Instead, the study identifies notable divergences in the acceptance and utilization of digital tools among distinct socio-demographic categories. Particularly intriguing is the observed difference in terms of trust towards the institutions using digital platforms, or towards the sensible issue of data protection.

The results highlight that the risk of being left behind in the digitalized world can be applied rather to socio-economic categories than to “places” (i.e. regions), as the adversity or the openness towards digital innovation is more connected to the individual or community features than the macro-spatial context, despite the undeniable contribution of the later. However, our research suggests that the key to fostering a more homogeneous digitalization process lies in

cultivating higher levels of trust in the institutions implementing these initiatives. In a landscape often dominated by technical aspects, the pivotal role of institutional trust is frequently overlooked. The institutions are playing the role of a trusted filter through which the digitalization process must pass. Consequently, fostering a more inclusive and equitable digitalization process necessitates addressing the perceptions and attitudes toward the institutions driving the digital transformation. The study opens the door for in-depth discussions and further analyses regarding public perceptions of digitalization and its broader societal impact.

**Keywords:** digitalization, institutional trust, left-behind persons, rural-urban divide

**JEL:** D71, E71, P25

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