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## SOCIAL NETWORKS AS A DRIVING FORCE OF SOCIETAL TRANSFORMATION: OPPORTUNITIES, RISKS, AND REGULATORY CHALLENGES

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**Introduction.** Over the past two decades, social networks have evolved from niche online platforms for message exchange into expansive communication ecosystems exerting a systemic influence on the political, economic, and cultural dynamics of contemporary society. Their proliferation has coincided with the acceleration of digital globalization processes, resulting in an unprecedented increase in the volume and velocity of information circulation. Owing to their ability to connect millions of users instantaneously, social platforms have become catalysts of societal transformation, affecting domains ranging from the formation of political attitudes and the mobilization of civic initiatives to the reshaping of consumer habits and cultural consumption patterns.

However, alongside the opportunities they present for the democratization of communication, the expansion of access to information, and the development of digital forms of participation, social networks also entail significant risks. The spread of disinformation, algorithmic polarization, the intensification of manipulative practices, and breaches of data privacy pose challenges both to users and to state institutions. This underscores the necessity of seeking a balance between freedom of expression and the regulation of the digital space – an endeavor that requires a comprehensive interdisciplinary approach, integrating sociological, political, legal, and technological perspectives.

In the context of increasing digital interdependence among states, economies, and societies, the study of social networks as a driving force of societal transformation acquires particular relevance. Such an inquiry enables the identification of mechanisms through which these platforms influence social processes and provides a foundation for designing effective regulatory frameworks aimed at minimizing adverse effects while preserving their potential as instruments of social development.

**Analysis of recent research and publications.** The methodological framework of this study employs an interdisciplinary approach, integrating methods of sociological inquiry, content analysis of digital platforms, comparative examination of legal regulatory models across different jurisdictions, and statistical processing of data sourced from open-access repositories and analytical reports. This comprehensive methodology

enables a holistic assessment of the role of social networks in societal transformation and supports the formulation of recommendations relevant to both the academic community and practitioners in the field of digital policy.

It is noteworthy that the study of social networks as drivers of societal transformation encompasses a wide spectrum of themes – ranging from user self-identification to regulatory issues and their impact on democratic processes. This breadth underscores the topicality and scholarly significance of the subject. For instance, Lavinia Marin (2025), in her article “Becoming Oneself Online: Social Media Platforms as Environments for Self-Transformation”, conceptualizes social media platforms as environments that facilitate personal development. She introduces a taxonomy based on the notions of situated agency and normative adaptivity of the environment, allowing for an evaluation of whether a platform fosters or hinders positive personal transformation – or, conversely, leads to radicalization, habit fixation, and rigid identity formation [1].

Małgorzata Kossowska et al. (2023) explore the concept of internet micro-identities as a factor contributing to societal fragmentation. They argue that digital media promote polarization and the formation of highly specialized groups, thereby undermining social trust and eroding communal structures. Their research incorporates psychological, sociological, and media-communication perspectives [2]. E. Glen Weyl and colleagues (2025), in “Prosocial Media”, propose an alternative platform model in which social ties are treated as systems of entry and exit. The authors advocate for labeling content according to its connective value across communities and incentivizing creators of unifying content, thereby fostering social cohesion and diversity [3].

Joseph B. Bak-Coleman et al. (2025), in their review “Moving Towards Informative and Actionable Social Media Research”, address the challenges of assessing the societal impact of social media. They emphasize that the effects of a platform as a complex system cannot be deduced from individual-level impacts alone and call for methodologies that account for feedback loops, nonlinearity, and multiscale dynamics [4]. Emilio Ferrara (2015), in “Manipulation and Abuse on Social Media”, analyzes the technical and social mechanisms behind the orchestration of fake campaigns, the dissemination of disinformation, and manipulation practices – ranging from bots to extremist and propagandistic infrastructures [5].

Finally, Serash H. Tsen and Devavrat Shah (2020) focus on algorithmic content filtering and its regulation through auditing mechanisms, proposing methods for assessing algorithmic compliance with normative standards and evaluating the societal implications of algorithmic deployment [6].

Equally significant are studies addressing the policy and legal dimensions of regulation. Procaccini (2024) advances a new paradigm by conceptualizing users as workers within platform ecosystems, applying labor law models to govern speech on social media. He observes that “social networks and media wield potent coercive powers: with a single click, they can silence a voice or idea, erase it entirely, or make it viral.” At the same time, So Sasaki & Cédric Langbort (2024) investigate the impact of inter-platform competition on the effectiveness of combating disinformation, identifying conditions under which strict moderation can be achieved without audience attrition. Nyabola (2023) provides a global perspective on social media regulation, addressing the platforms’ influence on democratic processes and advocating for a holistic and internationally coordinated approach [7–9].

**The aim of this article** is to analyze the role of social networks as a key factor in societal transformation, to identify their positive and negative effects, and to propose regulatory approaches that ensure a balance between communication freedom and the protection of public interests.

**The objectives of the article include:**

- Systematizing theoretical approaches to the study of social networks’ influence on social, political, and economic processes;
- Identifying the key opportunities that social platforms provide for the development of civil society and the economy;
- Revealing the principal risks and threats associated with the use of social networks, including issues of information security and manipulative influence;
- Analyzing existing international and national models of digital space regulation;
- Proposing recommendations for improving social network governance policies, taking into account both global and local specificities.

**The main material of the study.** The results of this study, based on an extensive review of scholarly literature and analysis of relevant statistical data, can be classified into the following key categories:

1. Information reliability and the proliferation of disinformation.

Data from the Pew Research Center [10] indicate that approximately 23% of social media users admitted to sharing fake news. Moreover, empirical studies demonstrate that false political content spreads up to three times faster than factual information, particularly on Twitter. During the COVID-19 pandemic, for instance, a small group of twelve individuals – dubbed the Disinformation Dozen – was identified as the source of 85% of all anti-vaccine misinformation circulating online.

2. Economic engagement of small and medium-sized enterprises (SMEs).

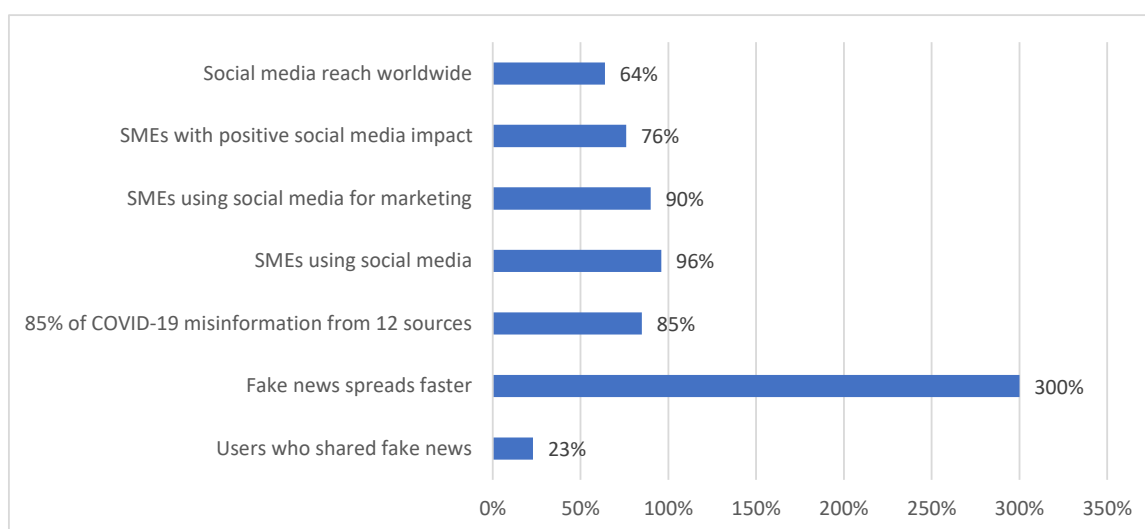
According to Cropink (2025), 96% of small businesses leverage social media as a primary tool for brand promotion. Complementary studies reveal that 90% of local enterprises rely on social platforms for marketing purposes, while 78% of consumers investigate businesses via social media prior to purchasing decisions. Furthermore, a Verizon (2025) survey highlights that 76% of SMEs report a demonstrably positive impact of social media on their overall business performance [11].

3. Global penetration of social media usage.

Statistics provided by Datareportal (2025) show that 63.9% of the global population actively uses social media, dedicating an average of 2 hours and 21 minutes per day to these platforms [12].

The synthesized findings are visualized in the diagram below (Figure 1), constructed from 2025 statistical data and segmented into three thematic clusters:

- Disinformation (red sector)
- Economic impact (green sector)
- Global reach (blue sector)



**Figure 1. Social Networks as a Driver of Societal Transformation**

The results of the analysis of the impact of social networks reveal, first and foremost, their dual nature. Social media simultaneously serve as a powerful instrument for the democratization of communication and as a driver of socio-political polarization. Their capacity to mobilize civic initiatives and stimulate economic growth is counterbalanced by the risks of disinformation dissemination, manipulative practices, and breaches of privacy.

Secondly, for small and medium-sized enterprises (SMEs), social media have emerged as a critical channel for marketing and consumer engagement. Over 90% of SMEs utilize these platforms for promotion, and 76% report a positive economic impact, underscoring their importance as a key component of the digital economy.

Thirdly, social networks today pose a tangible threat to the integrity of information. Empirical evidence shows that disinformation spreads more rapidly than accurate reporting, and, in some cases, originates from a small group of highly active actors, thereby increasing the vulnerability of the information environment.

The results of a comparative analysis of international models of regulation of social networks in some developed countries are presented in Table 1.

Table 1

## Comparative analysis of international models of social media regulation

Country / Region	Scope	Key measures	Maximum fines	Strengths	Disadvantages
Law / Initiative	All platforms, special requirements for Very Large Online Platforms (VLOP) > 45 million users	Transparency of algorithms and advertising, removal of illegal content, independent audit	Up to 6% of global turnover	Comprehensive approach, focus on transparency and user rights	High compliance requirements, difficult to implement for small platforms
EU/ Digital Services Act (2022)	Platforms with > 2 million users in Germany	Removal of illegal content within 24 hours (simple cases), reporting	Up to €50 million	Rapid response, public reporting	Risk of overblocking, narrow focus
Germany/ Netzwerkdurchsetzungsgesetz – NetzDG (2018)	All platforms available in the UK	Mandatory child protection, removal of harmful content, age verification	Up to 10% of global turnover	Strong protection for vulnerable groups	Risk of excessive control over content, difficult for cross-border platforms
UK/ Online Safety Act (2023)	All online platforms	Removal of harmful content within 24 hours, eSafety Commissioner powers, blocking of sites	Determined on a case-by-case basis (significant amounts)	Rapid response to harmful content	Potential for censorship, limited appeal mechanisms
Australia/ Online Safety Act (2021)	All online platforms	Immunity of platforms from liability for content, voluntary moderation	No single federal fine	High freedom of speech, innovative environment	Limited user protection, heterogeneity across states
US/ Communications Decency Act, Sec. 230 (1996) + state laws	Terrorist and extremist content	International cooperation, exchange of databases, voluntary moderation	Not applicable	Coordination across countries and platforms	Voluntary, no penalties for non-compliance

Source: compiled by the authors based on official sources

According to the degree of regulation, according to the data in Table 2, the models can be divided into three groups:

- countries with strict regulation (EU, Germany, UK, Australia, Azerbaijan, Turkey);
- medium/voluntary models (Canada, Japan, South Korea, Kazakhstan, etc.);
- soft models (USA, India, most of Africa and Latin America, Georgia) [13].

Despite the existence of diverse international models for regulating social networks, a unified approach to their governance remains absent. Furthermore, comprehensive and in-depth scholarly research on this subject is lacking, with existing publications being largely isolated and fragmented. Comparative analysis indicates that, to date, the most effective legislative initiatives combine algorithmic transparency, clear deadlines for the removal of illegal content, and mechanisms for independent appeals review. Nevertheless, this represents a rather limited set of instruments, yielding primarily quantitative effects while exerting minimal influence on the qualitative dimensions of social media regulation.

**Conclusions.** In both developing and developed countries, despite the fact that the emergence and rapid proliferation of social networks in their modern form dates from 2003–2004 (LinkedIn, Facebook) to 2010–2016 (Instagram (2010), Snapchat (2011), TikTok (2016)), formal regulatory measures – excluding those in the United States – only began to materialize around 2021–2022. Social media regulation thus represents a nascent and evolving field that requires ongoing monitoring, systematic data collection and analysis, as well as rigorous research to identify underlying dependencies and patterns. Nevertheless, despite its relative “youth,” social media has already become a pivotal driving force of societal transformation.

Table 2

Comparison of models of regulation of social networks and media<sup>1</sup>

Country/ Key laws/measures	Distinguishing features	International Organizations' Rating
Azerbaijan/ Law on Mass Media (2022), rules for bloggers and advertising, blocking social networks during times of crisis	– requirements for registering journalists (tax ID, diploma, employment contract) – Licensing and control of bloggers – Possibility of temporary blocking of platforms (TikTok, Facebook, etc.)	Freedom House: “Not Free” (2024), Freedom on the Net – 28/100
Turkey/ Law on Social Media (2020), amendments of 2022, Law on Disinformation (2022)[14]	– obligation of platforms to have a representative office in Turkey and store data in the country – content removal within 48 hours upon request – criminal liability for “spreading disinformation” (up to 3 years in prison) – Mass fines for non-compliant companies	Freedom House: “Not Free” (2024), Freedom on the Net – 30/100
Georgia/ Law on Freedom of Speech and Press, Law on Broadcasting, Law on the Protection of Personal Data	– No strict laws on social networks – Independent media market with partial restrictions – No authority to block platforms en masse – Main risks are pressure on independent media and political polarization	Freedom House: “Partly Free” (2024) [15], Freedom on the Net – 75/100
Kazakhstan/ Law on Mass Media, amendments of 2022–2023, Law on Digital Security	– Requirement for foreign social networks to have a representative office in the country – Possibility to slow down or block platforms without trial – Control of messengers and collection of user data – Enhanced measures during protests (example – January 2022, internet shutdown)	Freedom House: “Not Free” (2024), Freedom on the Net – 33/100

Source: compiled by the authors [15]

This article provides an overview of the opportunities, risks, and regulatory challenges posed by social networks, underscoring the need for comprehensive, multidisciplinary investigation. The regulatory models adopted across various countries exhibit distinctive characteristics, risks, and limitations, and remain in a stage of adaptation and consolidation.

Drawing on the findings of this research, the authors propose the following key directions for advancing social media regulation:

1. Adoption of hybrid regulatory models – integrating state (or regional) oversight of critical domains (such as algorithms, advertising, and personal data) with mechanisms of platform self-regulation and independent public auditing.

2. Promotion of digital literacy among users – through targeted educational programs and public information campaigns aimed at fostering critical thinking and enhancing skills for verifying the authenticity of information.

3. Strengthening algorithmic transparency – via mandatory disclosure of the functioning of recommendation systems and their influence on shaping public discourse, supported by mechanisms for independent external review.

4. Development of ethical and sustainable digital marketing practices – to ensure that economic incentives align with societal well-being.

5. Prioritization of pro-social platform design – incentivizing algorithms that build bridges across diverse social groups, counter disinformation, and mitigate systems that exacerbate polarization.

The implementation of these measures would accelerate progress toward a more robust and inclusive digital transformation, enhance information security, and reinforce the technological sovereignty of nations and regions.

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**Esmira Ahmadova Mirmammad**, PhD in Economics, Senior Lecturer of the Department of Applied Economics, Azerbaijan State University of Economics. **Farhad Fikret oglu Amirbekov**, President, UNEC Research Foundation, Baku, Azerbaijan. **Social networks as a driving force of societal transformation: opportunities, risks, and regulatory challenges.**

Amid the era of digital globalization, social networks have become one of the most powerful forces shaping contemporary social, political, and economic dynamics. *Objectives of the article* to examine the role of social networks as a driving force of societal transformation, identify their beneficial and adverse impacts, and outline optimal approaches to their governance. The research adopts an interdisciplinary methodology that integrates content analysis, comparative assessment of international regulatory frameworks, and statistical evaluation of empirical data. The results demonstrate that while social networks enhance the democratization of communication, support the growth of small and medium-sized enterprises, and promote cultural integration, they simultaneously exacerbate the risks of disinformation, political polarization, and privacy violations. The analysis highlights that the most effective regulatory strategies combine governmental oversight, platform self-regulation, and independent algorithmic auditing. The findings and recommendations of this study provide valuable insights for academics, policymakers, and industry practitioners seeking to design ethically sound and socially responsible approaches to managing digital communication ecosystems.

**Key words:** social networks; societal transformation; disinformation; political polarization; regulation of digital platforms; digital economy.

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**Есмiра Ахмедова Мірмаммад**, кандидат економічних наук, с тарший викладач кафедри прикладної економіки, Азербайджанський державний економічний університет. **Фархад Фікрет огли Амірбеков**, президент Дослідницького фонду UNEC, Баку, Азербайджан. **Соціальні мережі як рушійна сила суспільної трансформації: можливості, ризики та виклики регулювання.**

В умовах цифрової глобалізації соціальні мережі перетворилися на потужні соціотехнічні екосистеми, що впливають на політичні, економічні та культурні процеси сучасного суспільства. Головна мета цього дослідження полягає у всебічній оцінці соціальних мереж як агентів суспільних змін шляхом аналізу їхньої

подвійної природи: з одного боку, як платформ, що забезпечують демократизацію обміну інформацією, підтримують розвиток малого та середнього бізнесу (МСБ) і сприяють міжкультурній інтеграції; з іншого боку, як чинників посилення системних ризиків, зокрема поширення дезінформації, політичної поляризації, алгоритмічних маніпуляцій та ерозії приватності. Методологічна база дослідження ґрунтується на міждисциплінарному підході. Вона поєднує якісні та кількісні методи, зокрема контент-аналіз цифрових платформ, порівняльний аналіз міжнародних практик регулювання та статистичний аналіз емпіричних даних із авторитетних глобальних джерел. Такий багатоперспективний підхід дозволяє здійснити комплексну оцінку можливостей і ризиків, пов'язаних із соціальними мережами, та сформуванню науково обґрунтованих рекомендацій. Результати дослідження свідчать, що, попри те що соціальні мережі стали незамінними інструментами громадянської активності та економічних інновацій, вони водночас спричиняють безпрецедентний рівень інформаційної вразливості. Емпіричні дані підтверджують, що неправдива інформація поширюється швидше й ширше, ніж достовірні повідомлення, а сконцентровані джерела дезінформації мають непропорційний вплив на громадську думку. Крім того, МСБ значною мірою покладаються на соціальні платформи у сфері маркетингу та взаємодії з клієнтами: 96% малих підприємств використовують їх для просування бренду, а 76% повідомляють про відчутні економічні вигоди, що підкреслює значення соціальних мереж як рушія цифрової економіки. Водночас така залежність актуалізує потребу у прозорих і справедливих регуляторних механізмах для запобігання зловживанням та забезпечення рівного доступу. Практичне застосування полягає у необхідності запровадження гібридних моделей регулювання (державний контроль, саморегуляція платформ, незалежний аудит), підвищення цифрової грамотності користувачів та розвитку етичних маркетингових практик. Це сприятиме формуванню збалансованої системи цифрового врядування, що поєднує свободу вираження з ефективним захистом суспільних інтересів.

**Ключові слова:** соціальні мережі; суспільна трансформація; дезінформація; політична поляризація; цифрове врядування; алгоритмічна прозорість; цифрова економіка; міждисциплінарне регулювання.