

# INVESTMENT POLICY UNDER CRISIS: NATIONAL CAPITAL AND BEHAVIORAL FACTORS IN MOLDOVA

Serghei PETIGHIN<sup>a\*</sup>

<sup>a)</sup> Academy of Economic Studies of Moldova,  
Chişinău, Republic of Moldova

*Please cite this article as:*

Petighin, S., 2025. Investment policy under crisis: National capital and behavioral factors in Moldova. *Review of Economic Studies and Research Virgil Madgearu*, 18(2), pp.159-175. doi: 10.24193/RVM.2025.18.140.

*Article History:*

Received: 16 September 2025  
Accepted: 20 October 2025

---

**Abstract:** Recent crises – the COVID-19 pandemic, energy shocks, and geopolitical tensions, have reshaped investment policy, especially in small open economies. This paper analyzes the Republic of Moldova's vulnerabilities and adaptive responses through a systematic literature review, integrating classical, institutional, behavioral, and sustainability-oriented perspectives. Findings show that fiscal incentives and financial-credit mechanisms, while necessary, remain ineffective without credible institutions. National and foreign capital act as complements: diaspora remittances and SME reinvestments provide stability during crises, while FDI brings technology and global market access. Behavioral determinants – loss aversion, uncertainty shocks, and institutional trust – also play a decisive role in shaping investment outcomes. Comparative insights from Romania, the Baltic states, and Eastern Partnership countries highlight that resilience depends on blending domestic capital ecosystems with credible reforms and alignment to EU integration. The study offers a multidimensional framework for rethinking investment policy in turbulent contexts.

**Key words:** investment policy; COVID-19 pandemic; economic recovery; fiscal stimulus; public health integration

**JEL Classification:** E62; I18; G01; H12; F52

---

---

\* Corresponding author. E-mail address: spetighin@mail.ru.

## References:

1. Akerlof, G.A. and Shiller, R.J., 2009. *Animal spirits: How human psychology drives the economy, and why it matters for global capitalism*. Princeton, NJ: Princeton University Press.
2. Andrei, I.V., Cetulean, M., Negoii, E.N. and Stoian, M., 2025. Local resilience in the context of digital transition: Development policy perspectives from Romania and Moldova. *Theoretical and Applied Economics*, 32(1), pp.59–70.
3. Bevan, A.A. and Estrin, S., 2004. The determinants of foreign direct investment into European transition economies. *Journal of Comparative Economics*, 32(4), pp.775–787. <https://doi.org/10.1016/j.jce.2004.08.006>
4. Bloom, N., 2009. The impact of uncertainty shocks. *Econometrica*, 77(3), pp.623–685. <https://doi.org/10.3982/ECTA6248>
5. Campos, N.F. and Kinoshita, Y., 2010. Structural reforms, financial liberalization, and foreign direct investment. *IMF Staff Papers*, 57(2), pp.326–365.
6. Campos, N.F., Coricelli, F. and Moretti, L., 2019. Institutional integration and economic growth in Europe. *Journal of Monetary Economics*, 103, pp.88–104. <https://doi.org/10.1016/j.jmoneco.2018.08.001>
7. Dunning, J.H., 1993. *Multinational enterprises and the global economy*. Wokingham: Addison-Wesley.
8. European Commission, 2020. *Evaluation of the impact of EU funds on agri-food sector development in Romania*. Brussels: European Commission.
9. Expert-Grup, 2023. *Investițiile străine directe în economia Republicii Moldova: studiu de impact*. Chișinău: Expert-Grup.
10. Gereffi, G., Humphrey, J. and Sturgeon, T., 2005. The governance of global value chains. *Review of International Political Economy*, 12(1), pp.78–104. <https://doi.org/10.1080/09692290500049805>
11. Hymer, S.H., 1976. *The international operations of national firms: A study of direct foreign investment*. Cambridge, MA: MIT Press.
12. International Monetary Fund (IMF), 2023. *World Economic Outlook: Navigating global divergences*. Washington, DC: IMF.

13. Kahneman, D. and Tversky, A., 1979. Prospect theory: An analysis of decision under risk. *Econometrica*, 47(2), pp.263–291. <https://doi.org/10.2307/1914185>
14. Keynes, J.M., 2007. *The general theory of employment, interest and money*. Basingstoke: Palgrave Macmillan. (Original work published 1936).
15. Narula, R., 2018. Multinational firms and the extractive sectors in the 21st century: Can they drive development? *Journal of World Business*, 53(1), pp.85–91. <https://doi.org/10.1016/j.jwb.2017.09.004>
16. Nielsen, K.L. and Šiljak, D., 2024. Integration maturity of Georgia, Moldova, and Ukraine: Has DCFTA helped prepare them for the EU accession process? *East European Politics and Societies*, 39(1), pp.208–234. <https://doi.org/10.1177/08883254231215497>
17. North, D.C., 1990. *Institutions, institutional change, and economic performance*. Cambridge: Cambridge University Press.
18. Organisation for Economic Co-operation and Development (OECD), 2022. *Investment policy reviews*. Paris: OECD Publishing.
19. Organisation for Economic Co-operation and Development (OECD), 2023. *Promoting digital business skills in the Republic of Moldova*. Paris: OECD Publishing.
20. ODIMM, 2022. *Programul de atragere a remitențelor în economie „PARE 1+1”*. Chișinău: Organizația pentru Dezvoltarea Întreprinderilor Mici și Mijlocii.
21. Rodrik, D., 2018. What do trade agreements really do? *Journal of Economic Perspectives*, 32(2), pp.73–90. <https://doi.org/10.1257/jep.32.2.73>
22. Rugman, A.M. and Verbeke, A., 2003. Extending the theory of the multinational enterprise: Internalization and strategic management perspectives. *Journal of International Business Studies*, 34(2), pp.125–137.
23. Shleifer, A., 2000. *Inefficient markets: An introduction to behavioral finance*. Oxford: Oxford University Press.
24. Smith, A., 1994. *The wealth of nations*. New York: Modern Library. (Original work published 1776).
25. United Nations Conference on Trade and Development (UNCTAD), 2020. *World Investment Report 2020: International production beyond the pandemic*. Geneva: United Nations.
26. United Nations Conference on Trade and Development (UNCTAD), 2021. *World Investment Report 2021: Investing in sustainable recovery*. Geneva: United Nations.

27. Vernon, R., 1966. International investment and international trade in the product cycle. *Quarterly Journal of Economics*, 80(2), pp.190–207.
28. World Bank, 2022. *Moldova economic update: Growth, resilience and opportunities for well-being*. Washington, DC: World Bank.