

ECONOMIC-INSTITUTIONAL PROBLEMS OF EUROPEAN REMILITARIZATION

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This article is dedicated to the examination of the economic-institutional problems and prerequisites for the reconstruction of the European military-industrial complex. During the consideration of this issue, the following tasks were set and addressed:

- to find out the economic factors determining the ability of European economies to provide the Ukrainian army with a sufficient amount of weapons and ammunition;
- to identify barriers to capital involvement in the military-industrial complex;
- to study the institutional prerequisites for changing motivations for investing in the military-industrial complex.

On one hand, the remilitarization of Europe appears inevitable due to the formation of an anti-Western axis of evil, consisting of Moscow, Beijing, and Tehran. On the other hand, remilitarization for formerly pacifist Europeans is not an easy matter. We believe that the problem of remilitarization has at least three aspects: price, investment, and civilization. If we were to depict the problem of European remilitarization as an iceberg, the price aspect would be the most superficial, obvious part of the problem, while the civilization aspect would be its foundation.

Price aspect: This has manifested, in particular, in the rapid increase in procurement prices for weapons. The anomaly is that even with a fourfold increase in prices, which apparently promises manufacturers profits in the hundreds (!) of percent, demand saturation through increased supply does not occur.

Investment aspect: It is evident in the relatively insufficient investment activity in the European military-industrial complex compared to what it should be. The issue lies in the unacceptably high risks of possible investment projects in the defense sector, namely, the risk of a decrease in demand for manufactured goods. Considering the normal profitability of production assets in developed countries, successful remilitarization could involve guarantees of extensive and stable state purchases of weapons and ammunition from producers for the next ten to fifteen years.

Civilization aspect: Maintaining consistently high demand for military goods for one to two decades requires a fundamentally different approach from European societies and states to issues of war and peace than is currently the case. It turns out that for the remilitarization of Europe, a series of colonial wars is needed. Colonialism, in any of its manifestations, involves the institutionalization of inequality between Europeans and those outside Europe. Remilitarization means that the “flower generation,” the people who tried to “love, not war,” must acknowledge their defeat, and more than half a century of conscious rejection of making military violence a significant political instrument, which has always been reckless, is regarded as a terrible mistake that must not be repeated. European elites see and understand the consequences of this choice. Therefore, we can argue that the million shells for Ukraine cost Europeans significantly more than a few pitiful billion euros. It costs dreams of humanism, of a bright communist future, dreams of a time when the bright, rational, human will ultimately overcome all that is dark, primitive, and bestial.

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