

**Publisher**

<http://jssidoi.org/esc/home>

THE EUROPEAN DEFENCE INDUSTRIAL STRATEGY AS A CATALYST FOR INTEGRATION AND SUSTAINABLE GROWTH: OPPORTUNITIES, LIMITS, AND BARRIERS

Radoslav Ivančík ^{1*}, Ivan Majchút ²

^{1*}Constantine the Philosopher University, Faculty of Arts, Department of Philosophy and Political Science, Hodžova 1, Nitra, Slovakia

²Armed Forces Academy of General Milan Rastislav Štefánik, Demänová 393, Liptovský Mikuláš, Slovakia

E-mails: ^{1*} rivancik@ukf.sk (Corresponding author); ² ivan.majchut@aos.sk

Received 15 August 2025; accepted 20 December 2025; published 30 March 2026

Abstract. This article examines the European Defence Industrial Strategy and its implementation tool, the European Defence Industrial Programme, as the European Union's response to the changed geopolitical reality following Russia's aggression against Ukraine. The analysis demonstrates how the return of full-scale conventional war to the European continent has exposed deep-seated structural weaknesses in the European defence industry, including its fragmentation, insufficient funding, and dependence on external suppliers. The primary objective is to analyse the mechanisms through which the aforementioned strategy seeks to address these challenges and transform the concept of strategic autonomy into a tangible and long-term sustainable economic and industrial project. Through a qualitative and comparative analysis of key EU documents and academic literature, the author not only identifies the main opportunities, such as strengthened political will and technological innovation, but also points to important limits and barriers, including national protectionism, financial dilemmas, and supply chain dependencies. The conclusion suggests that for a positive outcome, the strategy must be supported by a stable, long-term financial framework, a re-evaluation of ESG criteria, the promotion of dual-use technologies, etc. Its success is decisive for strengthening European economic and industrial competitiveness and increasing the level of its security and defence.

Keywords: European Defence Industrial Strategy; economic-industrial project; competitiveness; opportunities; limits; barriers

Reference to this paper should be made as follows: Ivančík, R., Majchút, I. 2026. The European Defence Industrial Strategy as a catalyst for integration and sustainable growth: opportunities, limits, and barriers. *Entrepreneurship and Sustainability Issues*, 13(3), 38-52. <http://doi.org/10.9770/t4336338823>

JEL Classifications: F50, F52, H56, P16

Additional disciplines: Political Science, International Relations, Security

1. Introduction

In recent years, the European Union (EU) has found itself in a fundamentally altered geopolitical reality, shaped most significantly by Russian aggression against Ukraine and the associated return of war to the European continent (Belan, 2023; Chopin & Naïm, 2023; Wiesner, & Knodt, 2024; Ivančík & Andrassy, 2025). This event marked a turning point not only in security but also in economics and industry. It became apparent that the European defence industry was unable to respond quickly enough to the rapidly growing demand for ammunition, combat vehicles, weapon systems, and modern technologies. A lack of stockpiles, long production cycles, and persistent market fragmentation exposed the limitations of a system that had long been characterised by underfunding and a reliance on external suppliers, particularly the United States (US) (Ivančík & Nečas, 2023; Monaghan, 2023; Mejino-López & Wolff, 2024a).

A fundamental problem is that the industrial dimension of defence has for decades been viewed as a secondary issue within the European sphere. Political discussions about the EU's Common Security and Defence Policy focused predominantly on strategic autonomy, operational capabilities, and the relationship with NATO, while the industrial and economic base of defence was left to the competence of individual Member States. As a result, the European Defence Technological and Industrial Base is fragmented, suffers from insufficient investment, and often duplicates production capacities instead of leveraging synergies. This is also one of the reasons why EU Member States do not possess sufficient military capabilities and capacities (Gusti & Grevi, 2022; Jurčák & Ivančík, 2023; Tanghe, 2025).

It is precisely for this reason that the European Defence Industrial Strategy (EDIS) was adopted in 2024 (European Commission, 2024a) and a proposal for its implementing instrument – the European Defence Industry Programme (EDIP) – was prepared (European Commission, 2024b). This represents the EU's first comprehensive attempt to systematically strengthen the resilience, innovative capacity, and competitiveness of the European defence industry. The strategy aims not only to increase the share of intra-European defence trade but also to ensure that by 2030, at least half of public defence procurement comes from European sources and that at least 40% of procurement is conducted collaboratively (European Commission, 2024a).

From the aforementioned context, the research problem addressed by this article also emerges: How does the EU, through its defence industrial strategy, address the challenges of fragmentation, funding, and competitiveness within its defence industry? The answer is not straightforward, as while the strategy is at the beginning of its implementation phase, its significance is undeniable. For the first time in the history of European integration, the EU has decided to approach defence not only as a political and security issue but also as an industrial and economic one, with clear objectives, measurable indicators, and financial frameworks.

The primary aim of this article is not merely to assess the content of the strategy itself, but also to analyse the mechanisms by which the EU, through its new instruments—specifically the European Defence Industrial Strategy (EDIS) and the European Defence Industry Programme (EDIP)—is responding to structural challenges in the defence industry. Furthermore, it aims to draw broader implications for the future development of the European defence industry: whether the EDIS will become the foundation for deeper integration or remain merely a political framework without significant economic impact.

Methodologically, this article relies on a qualitative and comparative analysis, which is one of the most frequently used approaches in the fields of economics, international relations, and security studies. The combination of a qualitative analysis of EU documents and academic works by reputable authors, alongside a comparative approach, makes it possible to identify not only the formally declared goals but also the actual limitations and barriers to the implementation of the defence industrial strategy. This approach also reveals the differences between Member States, whose defence industrial interests are often conflicting—for instance, between France, which supports strong industrial integration, and the countries of Central and Eastern Europe, which tend to favour rapid acquisition of military equipment from non-European partners due to urgent security needs.

2. Geopolitical Framework and the Need for Defence Industrial Integration

Russia's full-scale invasion of Ukraine in February 2022 fundamentally redefined Europe's security reality. After more than three decades of relative peace and stability, the continent once again found itself in a state of large-scale conventional war. This conflict not only threatened the sovereignty and existence of a neighbouring state but also exposed the structural deficiencies of Europe's defence architecture (Borell, 2022a, 2022b). While the European Union responded with unprecedented political, economic, and military support for Kyiv, the reality quickly demonstrated that political declarations and financial packages alone were not enough. The key limitation proved to be the insufficient manufacturing capacity of the European defence industry (Fernandez, 2023; Mejino-López & Wolff, 2024a).

Since the end of the Cold War, European Member States have relied heavily on the United States (US) as the primary guarantor of security (Nečas & Kollár, 2018; Brhlíková & Kočnerová, 2020). This has been evident not only within NATO but also in specific procurement decisions. As much as 78% of all defence purchases by Member States after February 2022 went to non-EU suppliers, with 63% of these being deliveries from the United States (Goldstein, 2024; Mejino-López & Wolff, 2024b). While this immediately bolstered the military capabilities and capacities of NATO's European flank, it also exposed Europe's strategic vulnerability: a dependence on non-European suppliers in an area existentially linked to the EU's security and defence (Ivančík & Andrassy, 2025; Soler, 2025).

NATO remains the fundamental pillar of transatlantic collective defence, with the US providing a decisive share of military capabilities and capacities, from heavy combat vehicles and intelligence capabilities to strategic transport and satellite systems (Kompan & Hrnčiar, 2021; Scazzieri, 2024; Raik et al., 2025). Despite this, the question of whether Europe can rely exclusively on transatlantic ties is appearing more and more frequently in European political discourse. This is not about denying NATO's importance, but about recognising the essential need to build Europe's own industrial and technological capacities. These would allow the continent to respond even if American attention and resources were shifted elsewhere, for example, to the Indo-Pacific (Fiott, 2024; Bomassi, 2024).

From a geopolitical perspective, a paradox exists: Europe is part of the most successful defence alliance in history, yet it is the weak link in that alliance from an industrial standpoint. This creates a situation where security policy and industrial reality are at odds with one another. Politically, the EU is capable of making decisions to increase defence spending and support Ukraine, but its economic and industrial base is unable to effectively translate these decisions into reality—for example, in the form of mass production of ammunition or heavy equipment in a short timeframe (Mejino-Lopez & Wolff, 2024a, 2024b).

Long-term underfunding of European armed forces (Ivančík & Nečas, 2023) and the persistent fragmentation of the defence industry are among the key factors that have conditioned the current deficit in defence capabilities and capacities. After the end of the Cold War, many European countries began to systematically reduce defence spending, relying on the so-called peace dividend—the belief that the security environment had stabilised and that a conventional war on the continent was highly unlikely in the future (George & Sandler, 2021; Ristvej et al., 2022; Grand, 2024; Jurčák & Ivančík, 2023). This approach led to a dramatic decline in investment in research, development, and production capacities (Ivančík & Nečas, 2023), which subsequently translated into an inability to respond to the sudden increase in demand for military equipment after 2022 (Grand, 2024). For example, between 1990 and 2015, defence expenditures by EU Member States decreased by an average of more than 20%, with most funds directed towards operations and salaries rather than modernisation or innovation (Cepparulo & Pasimeni, 2024).

The fragmentation of the European defence industry is another factor undermining its effectiveness. Europe has more than a hundred defence technology manufacturers, who often produce similar systems in parallel. For instance, there are over ten different types of armoured personnel carriers that vary by country of origin, but not necessarily by quality or capability. Such duplication not only results in higher costs but also complicates interoperability among the armed forces of the Member States. While the United States has a centralised approach with a few large defence companies capable of ensuring mass production, the European model is fragmented and nationally oriented, which reduces its competitiveness (Béraud-Sudreau & Scarazzato, 2023).

Past efforts to address this fragmentation have been made. The European Defence Agency (EDA) was established in 2004 to promote cooperation in defence procurement and capability development, but its results have so far been very limited, as Member States continue to protect their national industrial interests. Between 2021 and 2022, only approximately 18% of all investments in defence capabilities in Europe were carried out through joint projects, which indicates a low level of cooperation (European Commission, 2024a). The national preference for "domestic champions" and concerns about losing sovereignty over key technologies have prevented the creation of a truly unified European defence market.

This combination of underfunding and fragmentation has manifested itself in specific crisis situations. When the Union decided in 2023 to massively increase ammunition deliveries to support Ukraine, it became clear that European production lines were unable to even double their output in a short timeframe, whereas Russia was capable of increasing its artillery ammunition production to several million rounds per year (Flis et al., 2025). This situation did not just reveal a temporary problem but a structural deficit that had accumulated over three decades of neglecting the industrial dimension of defence.

In this context, the concept of strategic autonomy, which for many years was primarily a subject of political-security debate, is increasingly being interpreted in an economic and industrial context. While in the past, strategic autonomy was mainly associated with the EU's ability to conduct military operations independently of NATO or the United States, today its material foundation is coming to the forefront: the capacity of the European defence industry to ensure the supply of weapons, ammunition, and technology in a time of crisis. In other words, autonomy is not merely a matter of political will but, above all, a question of production capacity, innovation potential, and effective funding (Anghel et al., 2023; Beaucillon, 2023).

This shift in understanding has profound implications. Without a strong industrial and technological base, the EU would remain dependent on external suppliers and would be unable to fulfil its own political ambitions in the area of defence. The concept of strategic autonomy is therefore transforming into a requirement to build a competitive European defence market in which joint projects and cross-border procurement are the rule, not the exception. The EDIS is a direct manifestation of this shift: it defines quantitative targets, such as increasing the share of European supplies on the domestic market to more than 50%, and at the same time establishes a framework for joint investment in research and development (European Commission, 2024b).

The economic and industrial dimension of strategic autonomy is also closely linked to the issue of the long-term sustainability of Member States' defence budgets. While most European countries announced an increase in defence spending after 2022, these commitments often encounter political and fiscal limitations. If the EU's defence policy is to be effective, it must rely on economies of scale, joint procurement, and an integrated industrial base that reduces duplication and increases the return on investment. Strategic autonomy thus ceases to be an abstract political goal and becomes a practical economic requirement, without which the EU cannot face current or future threats (Anghel et al., 2023; Beaucillon, 2023).

In conclusion, the geopolitical framework that emerged after 2022 clearly revealed the interconnectedness between security policy and industrial capabilities. The need for defence industrial integration is not merely the result of academic considerations or bureaucratic processes but a direct response to the reality of war, which has shown the limits of the previous European model. If the European Union has the ambition to secure its security and defence not only politically but also practically, and to contribute to stability in its neighbourhood, strategic autonomy must be understood and realised as an economic-industrial project.

3. The European Defence Industrial Strategy and its Economic Objectives

The European Defence Industrial Strategy (EDIS), unveiled in March 2024, represents a historic milestone in the European Union's approach to defence. For the first time, the EU has decided to address the issue of defence not only as a political and security matter but also as an industrial and economic one. The strategy is a direct response to the long-standing structural weaknesses of the European defence industry, which were fully exposed following Russia's invasion of Ukraine. While past EU initiatives were limited to supporting research and development or strengthening cooperation among Member States, the EDIS provides a comprehensive framework with clearly defined goals, indicators, and implementation tools (European Commission, 2024a).

A key pillar of the EDIS is the creation of a more resilient, innovative, and competitive European Defence Technological and Industrial Base (EDTIB). The aim is to ensure that European companies can cover the majority of Member States' defence needs and that the European market becomes more attractive than external suppliers. In this respect, the strategy directly builds upon previous initiatives, such as the European Defence Fund (EDF), but also takes them further by explicitly linking industrial integration with the political objectives of security and strategic autonomy (Robakidze, 2025).

The implementing instrument for the EDIS is intended to be the European Defence Industry Programme (EDIP), which is still in the legislative process. The EDIP is designed to provide the financial and institutional mechanisms that will allow strategic goals to be put into practice. A fundamental element of the EDIP is the support for joint projects, where Member States will coordinate their investments in manufacturing and research, thereby achieving economies of scale and greater efficiency. Additionally, the EDIP includes measures to support cross-border supply chains, which are currently often divided along national lines and suffer from duplication (European Commission, 2025).

The significance of the EDIS and EDIP extends beyond the scope of conventional industrial planning. They represent a political-economic project aimed at changing the very structure of the European defence market. While in the past such efforts were blocked by national interests, the current geopolitical situation is creating pressure for change. Member States are beginning to realise that if they continue to procure the majority of their equipment from outside the EU, they are not only undermining their own industrial base but also increasing their dependence on external suppliers, which can be strategically risky in times of crisis (Scazzieri, 2025).

One of the most significant shifts brought about by the EDIS is the introduction of clear quantitative indicators to measure the success of its implementation. While previous documents contained mostly general goals and recommendations, the EDIS sets specific numbers that put pressure on both Member States and the industry to adapt their behaviour.

The first objective is to increase the share of intra-European defence trade. Currently, this accounts for approximately 35% of all purchases, with most of the remaining volume going outside the European Union, particularly to the United States (European Commission, 2024a). The EDIS aims to systematically increase this share so that European manufacturers can cover the majority of the Member States' demand. This measure not only strengthens the European industrial base but also reduces the risk of dependency on non-European suppliers, who may be a limited resource in a time of crisis.

The second indicator is the commitment that, by 2030, 50–60% of public defence procurement will come from European sources (European Commission, 2024a). This goal is particularly ambitious, as in the last two years, most of the Member States' acquisition programmes have focused on urgent deliveries from the US, Israel, or South Korea. With this, the EDIS seeks a fundamental reversal: instead of short-term solutions, the focus should be on long-term sustainability and building capacities at home. This will require not only political will but also significant investment in production lines, logistics, and technological innovations within Europe.

The third key indicator is the target for 40% of defence procurement to be collaborative—that is, carried out through joint projects involving multiple Member States (European Commission, 2024a). This parameter is aimed at overcoming the chronic fragmentation of the European market. Currently, only about 18% of investments in defence capabilities are made collaboratively (EDA, 2022). Raising this share to 40% would mean a fundamental transformation, allowing for a reduction in duplication and the achievement of economies of scale comparable to those of the United States.

These quantitative goals have a dual nature: on one hand, they provide measurable criteria to assess progress, and on the other hand, they send a strong political signal that the EU is ready to put its rhetoric on industrial integration into practice. If these indicators are met, the EDIS can become not only a framework strategy but also a groundbreaking moment in building a genuine European defence market.

Another pillar of the European defence industrial strategy is the emphasis on innovation and technological development. Historical experience shows that technological superiority is one of the key factors in military effectiveness and, at the same time, economic competitiveness. However, Europe has long lagged behind in this regard, not only behind the United States but increasingly behind China, which systematically invests in dual-use technologies with both civilian and military applications (Kollias & Tzeremes, 2025).

The EDIS therefore places particular emphasis on supporting Research and Development (R&D). The ambition is to strengthen investment in groundbreaking technologies, such as artificial intelligence, autonomous systems, cyber defence, and quantum technologies (European Commission, 2024a). These areas not only represent the future of military capabilities but also offer broader economic opportunities, as they have significant crossover into the civilian sector. For example, autonomous drone technologies, which are being intensively tested in Ukraine, also have applications in logistics, agriculture, and environmental monitoring in addition to their military use.

A powerful tool in this regard is the European Defence Fund (EDF), which has been providing funding for joint R&D projects since 2021. The EDF seeks to overcome fragmentation by supporting only those projects that involve at least three Member States, thus compelling companies to cooperate across borders. In combination with the EDIS, the EDF is becoming a cornerstone for building European innovation capacity in defence (European Commission, 2024c).

Special attention is also given to dual-use technologies, which are capable of serving both civilian and military purposes. This approach is pragmatic: it helps justify higher investments by creating a wider market of customers, and it also helps to bridge the political and societal dilemmas associated with defence funding (Vaynman & Volpe, 2023). In the European context, where public opinion does not always support direct defence spending, investments in dual-use technologies become a more acceptable compromise.

A critical factor, however, remains technological dependence on third countries. For instance, Europe is highly dependent on the import of semiconductors from Asia, which represents a potential source of vulnerability for both military and civilian applications. The EDIS therefore emphasises the need to strengthen Europe's own manufacturing capacities and diversify supply chains, which is also in line with broader European industrial policies concerning the digital and green transformations (European Commission, 2021; European Parliament, 2025).

Overall, the innovation dimension of the EDIS and EDIP has not only military but also economic and strategic significance. If the EU succeeds in creating effective mechanisms to support research, development, and dual-use technologies, it can become not only a stronger security actor but also a global technological leader.

Funding represents one of the most sensitive yet crucial elements of the entire European defence industrial strategy. The ambitious goals for production capacities, innovation, and cooperation cannot be met without adequate financial instruments and a stable budgetary framework. In this regard, the EDIS is linked to several EU financial programmes, the most significant of which are the European Defence Industry Programme (EDIP) and the European Defence Fund (EDF).

The EDF plays a complementary role, as it focuses primarily on financing research and development. In the 2021–2027 programming period, its budget is approximately €8 billion, with one-third allocated to research and two-thirds to development projects (EEAS, 2022). The EDF is designed to incentivise joint projects, meaning that access to its funds is only available to consortia that include at least three companies from three Member States. This mechanism not only promotes cooperation but also reduces the risk of funds going exclusively to national manufacturers.

However, the question of funding extends beyond these programmes. The majority of defence spending remains within the competence of the Member States, who must balance political commitments with fiscal limitations. After 2022, several EU Member States announced dramatic increases in spending—for example, Germany introduced a special fund of €100 billion—but the sustainability of these measures is uncertain, especially if economic growth slows or if there is increased pressure for social spending.

From a long-term perspective, it will therefore be crucial to what extent defence funding can be integrated into the future Multiannual Financial Framework (MFF) after 2027. If the EDIS is to have a lasting effect, it is not enough to rely on short-term programmes. A stable, long-term, and predictable financial framework will be necessary to provide clear signals to the industry and enable multi-year investments.

4. Challenges, Limitations, and Barriers to Industrial Integration

One of the biggest barriers to building a common European defence industrial space is the tension between national industrial interests and the ambition to create a truly unified European market. While all Member States officially support European cooperation, in practice they often prioritise the protection of their own "national champions" and the maintenance of production capacities on their own soil. This logic is understandable from a political perspective—the defence industry is traditionally seen as a sector of strategic importance that creates jobs, fosters technological innovation, and is closely linked to the issue of national sovereignty (Mölling & Hellmonds, 2024).

As a result, a paradox emerges: even though the EDIS and EDIP clearly define the goals of joint procurement and cross-border cooperation, Member States often hinder their implementation. For example, France seeks to maintain the dominant position of its defence companies (Dassault, Naval Group, Nexter) and promote them as key suppliers for European projects, while Germany prefers its own industrial consortia (Rheinmetall, ThyssenKrupp). The result is a rivalry that complicates agreements on common programmes.

The fragmentation of the European market also causes European firms to lose competitiveness at the global level. While the United States can concentrate development and production in a few large companies capable of ensuring mass production, in Europe, investments are scattered among dozens of entities. This situation hinders not only efficiency but also innovation potential—instead of synergies, duplication and a race for public contracts among European partners emerge (Scortecci, 2021).

Finally, national interests are also reflected in the legislative framework. Although a directive on defence procurement exists, Member States often circumvent it by citing national security exemptions. This leads to a large proportion of contracts being concluded bilaterally and outside of common European schemes, which further undermines the goal of creating a single market (European Court of Auditors, 2023).

Another serious barrier to defence industrial integration is the chronic lack of production capacity in Europe, which was dramatically exposed after the outbreak of the war in Ukraine. While EU Member States declared their readiness to supply Kyiv with military equipment, including ammunition and artillery systems, the European industry was unable to meet the increased demand in a short timeframe. The supply of 155mm calibre ammunition, which became a symbol of this weakness, showed that European industrial defence production lacks the reserve capacity for crisis situations (Aries et al., 2023).

The main problem is that most of the production lines in the European defence industry have long been optimised for peacetime conditions, meaning a relatively low level of demand from Member States. After decades of underfunding, manufacturing plants adapted to a stable but limited flow of orders, with investments in capacity expansion being considered financially unprofitable. As a result, not only are the production lines themselves lacking, but so is the skilled workforce needed to enable their immediate expansion (European Commission, 2023; Hellberg et al., 2025).

The situation is further complicated by the issue of investment attractiveness. Although it might seem that war and rising government demand would automatically attract private capital, the reality is different. Many investors are deterred by the ESG (environmental, social, governance) regulatory framework, which in its current form often classifies the defence industry as "unsustainable". This means that investment funds, especially in Western Europe, avoid financing arms companies (Foy, 2025), even though defence is a fundamental prerequisite for security and stability, and therefore for sustainable development itself (Mölling & Major, 2024).

The lack of private investment translates into a reliance on public funding, which is limited by the fiscal capabilities of individual states. While countries like Germany and Poland have adopted packages for massive modernisation programmes, many smaller states are unable to compete in terms of order volumes, which creates further asymmetry within the European market. Without the involvement of private capital and the creation of more favourable conditions for investment, the expansion of production capacities will remain slow and

fragmented. The EDIS and EDIP seek to address this dilemma through joint financing and incentives for cross-border cooperation, but unless the broader framework of ESG and financial evaluation of the defence industry changes, the sector will remain risky and unattractive to investors.

The weaknesses of the European defence industry also include a high level of raw material and personnel dependence, which fundamentally affects its ability to respond to crisis situations. Modern production of weapons and ammunition relies on specific raw materials, rare metals, and components whose availability is limited in the European context. One of the most critical factors is the dependence on imports of rare-earth elements and special metals, which are essential for the production of electronics, sensors, propulsion systems, and precision-guided munitions. A large proportion of these raw materials comes from China, which has built up a near-monopoly position in their extraction and processing over the last two decades. This reality represents a geopolitical risk, as in the event of an escalation of tensions between the West and Beijing, supply disruptions could occur, which would paralyse not only the civilian but also the defence sector (Hackett et al., 2025).

The problem of a lack of a skilled workforce adds to the raw material dependence. After decades of stagnation and gradual decline in the defence industry, many companies found themselves without a sufficient number of experts capable of working with highly specialised technologies. At the same time, generational replacement in the sector is proving to be challenging—young professionals are often motivated to enter more promising sectors such as information technology, energy, or the civilian aerospace industry. The defence sector therefore faces a dual challenge: not only to retain existing know-how but also to attract a new generation of engineers, technicians, and scientists (Gould & Losey, 2022; Soler, 2025).

These dependencies weaken the EU's ability to achieve its declared strategic autonomy. Without a systematic solution to the issue of necessary raw materials—for example, through the diversification of imports, recycling programmes, or investment in domestic sources—and without investments in education and professional training in the defence sector, the European defence industry will remain vulnerable to external shocks.

When evaluating the barriers to European defence industrial integration, it is essential to compare it with other major military-industrial complexes, particularly those of the United States and Russia. These two powers represent contrasting models—the American model based on massive investment and technological innovation, and the Russian model built on the centralised mobilisation of resources for war.

The United States has by far the largest and most advanced defence industry in the world. The Pentagon's budget exceeds \$800 billion annually, which is more than double the combined defence spending of EU Member States (SIPRI, 2025). This volume allows American companies to plan long-term investments and maintain extensive production capacities that can quickly adapt to changes in demand. Moreover, the high concentration of the industry into a few giant corporations (Lockheed Martin, Boeing, Northrop Grumman, Raytheon) reduces fragmentation and allows them to achieve economies of scale that are currently completely unattainable in the European context.

In the US, there is also a strong link between the civilian technology sector and the defence sector. Venture capital, which typically avoids defence projects in Europe, is a key source for innovation development in the US. The result is an ability to quickly transfer breakthrough technologies—for example, in artificial intelligence or space systems—from the civilian to the military sector (Kurç, & Neuman, 2017; Sezal & Giumelli, 2022).

Russia, on the other hand, represents a model of a strongly centralised and state-controlled defence industry. Although its financial resources are limited compared to the West, its ability to focus all available capacities on the war effort ensures short-term resilience. The war in Ukraine has shown that the Russian industry can quickly mobilise a significant volume of production, especially in artillery ammunition and armoured vehicles, even if often at the expense of quality and technological sophistication. Russia currently operates in a "war economy" mode, in which civilian sectors are subordinated to the needs of the military. However, this model is unsustainable in the long run, as it leads to technological backwardness and economic stagnation (Cooper, 2025; Grisé et al., 2025).

Compared to these two models, the EU faces a unique dilemma. Unlike the US, it does not have a single budget or a centralised acquisition policy, and unlike Russia, it cannot sacrifice its civilian economy for the sake of wartime mobilisation. The Union is therefore forced to seek a compromise between national interests and common EU goals, between public and private investment, and between technological ambitions and fiscal limitations. These differences show that while the EDIS and EDIP represent important steps towards European defence integration, their success will depend on the EU's ability to overcome structural barriers that have no parallel in either the American or the Russian model.

5. Perspectives and Opportunities: Building a Resilient, Sustainable, and Competitive European Defence Industry

Despite the numerous barriers and limitations that hinder the development of a common European defence industrial space, we cannot overlook the positive trends and new opportunities that have emerged in recent years. The EDIS and EDIP represent the EU's first comprehensive attempt to create a systemic framework that aims to shift the European defence industry from a reactive and fragmented model to a coherent and forward-looking industrial ecosystem.

One of the greatest opportunities is the increased political will of the Member States to strengthen the defence industry. The war in Ukraine has fundamentally changed political discussions about defence. A topic that was marginal in many countries for years has now become a top priority. While before 2022 it was not possible to reach a consensus on common funding or the coordination of defence industrial capacities, today the willingness to seek European solutions is much higher (Fiott, 2023). This shift creates a window of opportunity that would be a mistake to miss.

Another positive trend is the growing interoperability and integration of production chains. Joint projects funded by the EDF and pilot initiatives under the EDIS show that European companies are capable of collaborating and jointly developing products that have potential not only for the European but also for the global market. If this trend can be solidified, Europe can significantly reduce its dependence on American and other suppliers while simultaneously increasing its export capacity.

Positive signals are also coming from the innovation ecosystem. Universities, technology centres, and startups increasingly view the defence sector as a legitimate area of their activities. Cooperation between civilian and military research, particularly in the field of dual-use technologies, creates the preconditions for the emergence of breakthrough innovations. If the stigma associated with investing in defence can be removed, Europe could leverage its rich innovation potential to strengthen its own defence while also creating new economic opportunities (Kotila et al., 2023).

Lastly, the EU's effort to forge strategic partnerships with third countries can be seen as a promising perspective, as it can reduce raw material and technological dependence. Initiatives to diversify the supply of rare metals, cooperation with Canada, Australia, and African partners, and the strengthening of transatlantic ties in industrial cooperation represent a way to minimise the risks arising from a one-sided dependence on China or other authoritarian regimes (European Commission, 2021; Grüning, 2023).

The economic dimension is a key prerequisite for the success of European defence industrial integration. While funding was previously seen primarily as a limiting factor, new possibilities are now emerging that could fundamentally change the investment framework for this sector. One of the most significant opportunities is the potential to create European investment schemes for defence, modelled on the successful NextGenerationEU instrument launched during the pandemic. Such an approach would make it possible to mobilise resources at the Union level, thereby eliminating the asymmetry between Member States with high fiscal capacity and those that lack the funds for large-scale modernisation programmes. Common European loans or Eurobonds for defence could create a stable, long-term financial foundation for the implementation of the EDIS (Dermine, 2025).

A crucial element in building a resilient and competitive European defence industry will also be the ability to keep pace with technological development while creating its own breakthrough innovations. If the EU succeeds in establishing itself as a technological leader in defence, it will gain not only military capabilities but also broader economic and geopolitical influence. One of the most significant areas is artificial intelligence (AI) and its applications in the defence sector. AI is increasingly used for processing intelligence data, autonomous systems, and real-time command of combat operations (Csernatononi & Mavrona, 2022). Europe has a strong academic and research base in this area, but it cannot yet compete with the investment dynamism of the US or China. Programmes funded by the EDF and EDIS can create a platform for coordinated European projects that bring together universities, research institutions, and industrial companies (Fiott, 2023).

The field of cyber defence is equally promising, having become an integral part of security strategies in recent years. With the increasing number of cyberattacks, including those that are part of the hybrid war against Ukraine, cyber resilience is becoming crucial for military as well as civilian infrastructures. European companies and research centres possess high expertise in cryptography, security software, and network security, which represents an area where the EU can achieve a comparative advantage (Csernatononi & Mavrona, 2022; Martino & Gamal, 2022; Andrassy & Ondrus, 2024).

Another opportunity is the development of space capabilities. Satellite communication, Earth observation, and navigation systems are an essential element of modern military operations. The EU already operates systems like Galileo and Copernicus, which are of strategic importance, but their full potential for the defence industry has not yet been fully exploited. Integrating these programmes with the EDIS could strengthen European autonomy in the space domain and reduce dependence on the US (Centrone & Fernandes, 2024).

A further essential prerequisite for building a resilient and competitive European defence industry is overcoming national protectionism and strengthening trust among Member States. Past experience shows that many ambitious projects have failed precisely because of differing national priorities and disputes over industrial shares in contracts. If the European defence industry is to be truly integrated, it will be necessary to create fair mechanisms for distributing production and know-how that both respect legitimate national interests and promote supranational, Union-wide efficiency, effectiveness, and purpose (Mueller, 2024).

In the context of all the above, we must not forget other fundamental challenges, as well as opportunities, related to the green, energy, and digital transformations. If the EU succeeds in integrating energy, environmental, and digital criteria into the defence industry without them being perceived as a drag on investment, it can become a leader in "green defence." Energy efficiency, the use of renewable energy sources, new propulsion systems, and the digitalisation of production processes can create a new standard that would allow Europe to establish itself on the global market (Kavan et al., 2021; Vincorion, 2024; Tvaronavičienė, 2024; Tavares da Costa et al., 2023; Dirma et al., 2024; Okunevičiūtė et al., 2025; Dušek, 2025).

The long-term perspectives thus show that the European defence industry can become one of the pillars of European economic and security power. Success, however, will depend on the ability to combine resources, innovation, and political will within a supranational framework. If the EU can harmonise these factors, tackle the difficult challenges, and overcome existing barriers, it can build a resilient industrial defence ecosystem that will not just be a reaction to the current crisis but also a long-term strategic asset in a new geopolitical era.

Conclusions

In the introduction to this article, we asked how the European Union, through its new defence industrial strategy—represented by documents such as the EDIS and EDIP—is addressing the challenges of fragmentation, funding, and competitiveness within its defence industry in a new geopolitical era. The analysis has shown that the return of war to Europe has fundamentally affected not only the security but also the political and economic environment in which the European defence industry operates. What was once a marginal area has become a strategic priority, essential for the security and defence, as well as the economic stability, of the European Union.

The geopolitical framework highlighted that the war in Ukraine and uncertainty regarding future US involvement in European security have accelerated discussions about strategic autonomy. This concept is gradually transforming from a primarily political ambition into an economic and industrial concept that emphasises production capacity, investment attractiveness, and technological sovereignty.

Within the analysis of the European defence industrial strategy, we identified three main pillars: strengthening the internal market, supporting innovation, and increasing the share of European funding. The quantitative targets, such as achieving 50–60% of procurement from within the EU and 40% collaborative procurement, represent ambitious yet realistic milestones. If these goals are met, Europe can reduce its external dependence and create a robust market that will support the competitiveness of its industry.

Despite these ambitions, limitations and barriers persist that threaten the rapid implementation of the strategy. These include, in particular, ongoing national protectionism, a lack of production capacity, low investment attractiveness caused by the ESG framework, and raw material and personnel dependencies. The comparison with the US and Russia showed that the Union faces structural disadvantages—it has neither the centralised power of the United States nor the mobilising character of Russia's "war economy." It must therefore find its own model that combines economic efficiency with respect for political and institutional diversity.

On the other hand, there are also perspectives and opportunities on the horizon that could move the European defence industry into a new phase of development. Increased political will, common European funds, reforms to the investment framework, and groundbreaking technological innovations—from artificial intelligence and cyber defence to space capabilities—form the foundation upon which a resilient and competitive industrial ecosystem can be gradually built.

Based on the analysis performed, several recommendations for the future can be formulated. First, it is necessary to systematically anchor the funding of defence industrial integration into the long-term EU budgetary framework. This would prevent a situation where investments are made only in reaction to crises and would create stability for the planning of production and research projects.

Furthermore, it is essential to re-evaluate ESG regulations to reflect the specific needs of defence. Defence should be recognised as a prerequisite for sustainable development—without security, it is impossible to ensure either environmental or social goals. This would allow the sector to be opened up to a wider range of investors, including institutional and private capital.

Strengthening education and human resource development also plays an irreplaceable role. The Union should invest in technical and engineering education and foster the connection between civilian and military research programmes. This would ensure the continuity of know-how and attract a new generation of experts, without whom it is absolutely impossible to maintain technological competitiveness.

Another priority is the support for dual-use technologies and the green transition. Investments in defence would thus become more socially acceptable, as they would also bring direct benefits to civilian sectors—from energy efficiency to digital infrastructure. Finally, it is important to develop strategic partnerships with third countries that can provide access to raw materials and technologies that the EU does not have itself. Cooperation with Canada, Australia, South Korea, or countries in Africa can contribute to the diversification of supply chains and strengthen resilience to geopolitical shocks.

If these recommendations can be implemented, the European Union will be able to transform the current security and industrial crisis into a long-term opportunity. The defence industry could become not only a pillar of security and defence policy but also one of the foundations of economic growth, technological modernisation, and Europe's strategic autonomy in a new geopolitical era.

References

- Andersson, J. J., & Britz, M. (2025). The European Union's role in European defence industry policy. *Defence Studies*, 25(2), 322-341. <https://doi.org/10.1080/14702436.2025.2472694>
- Andrassy, V., & Ondrus, M. (2024). The Gray Zone and Its Place in Security Environment. *Challenges to National Defence in Contemporary Geopolitical Situation – Conference Proceedings*, 4, 90-98. <https://doi.org/10.3849/cndcgs.2024.90>
- Anghel, S., Immenkamp, B., Lazarou, E., Saulnier, J. L., & Wilson, A. B. (2023). *On the path to 'strategic autonomy'*. European Parliamentary Research Service. [https://www.europarl.europa.eu/RegData/etudes/STUD/2020/652096/EPRS_STU\(2020\)652096_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/652096/EPRS_STU(2020)652096_EN.pdf)
- Aries, H., Giegerich, B., & Lawrenson, T. (2023). The Guns of Europe: Defence-industrial Challenges in a Time of War. *Survival*, 65(3), 7-24. <https://doi.org/10.1080/00396338.2023.2218716>
- Belan, L. (2023). Security – Risks and their impact on the performance of the tasks of the Armed Forces of the Slovak Republic. *Political Sciences*, 26(3), 159-184. <https://doi.org/10.24040/politickevedy.2023.26.3.159-184>
- Beaucillon, C. (2023). Strategic Autonomy: A New Identity for the EU as a Global Actor. *European Papers*, 8(2), 417-428. <https://doi.org/10.15166/2499-8249/664>
- Béraud-Sudreau, L., & Scarazzato, L. (2023). *Beyond Fragmentation? Mapping The European Defence Industry In An Era Of Strategic Flux*. Brussels School of Governance. <https://csds.vub.be/publication/beyond-fragmentation-mapping-the-european-defence-industry-in-an-era-of-strategic-flux>
- Bomassi, L. (2024). *Europe's Indo-Pacific rebalancing under Trump 2.0: Beyond 'business as usual'*. European Union Institute for Security Studies. <https://www.iss.europa.eu/publications/commentary/europes-indo-pacific-rebalancing-under-trump-20-beyond-business-usual>
- Borrell, J. (2022a). *The war in Ukraine and its implications for the EU*. European External Action Service. https://www.eeas.europa.eu/eeas/war-ukraine-and-its-implications-eu_en
- Borrell, J. (2022b). Europe in the Interregnum: our geopolitical awakening after Ukraine. In *Le Groupe d'études géopolitiques*. <https://geopolitique.eu/en/2022/03/24/europe-in-the-interregnum-our-geopolitical-awakening-after-ukraine/>
- Brlhliková, R., & Kočnerová, M. (2020). Model viacúrovňového vládnutia a spoločná zahraničná a bezpečnostná politika EÚ. Ekonomické, politické a právne otázky medzinárodných vzťahov 2020 – zborník z medzinárodnej vedeckej konferencie, 60-69. https://fmv.euba.sk/www_write/files/dokumenty/veda-vyskum/konferencie/zborniky/virt_2020.pdf
- Centrone, M., & Fernandes, M. (2024). *Improving the quality of European defence spending*. European Parliamentary Research Service. [https://www.europarl.europa.eu/RegData/etudes/STUD/2024/762855/EPRS_STU\(2024\)762855_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2024/762855/EPRS_STU(2024)762855_EN.pdf)
- Cepparulo, A., & Pasimeni, P. (2024). Defence Spending in the European Union. *Publications Office of the European Union*. <http://doi.org/10.2139/ssrn.4855108>
- Cooper, L. (2025). *Russo-Ukrainian War: The Political Economy of the Present Balance of Forces*. PeaceRep Publications Database. <http://doi.org/10.7488/era/5891>
- Csernaton, R., & Mavrona, K. (2022). The Artificial Intelligence and Cybersecurity Nexus: Taking Stock of the European Union's Approach. *Carnegie Endowment for International Peace*. <https://carnegieendowment.org/research/2022/09/the-artificial-intelligence-and-cybersecurity-nexus-taking-stock-of-the-european-unions-approach?lang=en>
- Dermine, P. (2025). Funding Europe's Defence. *Verfassungsblog*. <https://verfassungsblog.de/rearm-europe-law>
- Dirma, V., Okunevičiūtė Neverauskienė, L., Tvaronavičienė, M., Danilevičienė, I., & Tamošiūnienė, R. (2024). The Impact of Renewable Energy Development on Economic Growth. *Energies*, 17(24), Article 6328. <https://doi.org/10.3390/en17246328>
- Dušek, J. (2025). Transformation of Settlement Structures in Europe: Trends, Challenges, and Reform Approaches. *Land*, 2025, 14(1), 167. <https://doi.org/10.3390/land14010167>
- EEAS. (2022). *European Defence Fund*. European External Action Service. https://www.eeas.europa.eu/eeas/european-defence-fund_en European Commission. (2021). *Strategic dependencies and capacities*. https://commission.europa.eu/system/files/2021-05/swd-strategic-dependencies-capacities_en.pdf

- European Commission. (2023). *Regulation of the European Parliament and of the Council on establishing the Act in Support of Ammunition Production*. <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX%3A52023PC0237>
- European Commission. (2024a). *A new European Defence Industrial Strategy: Achieving EU readiness through a responsive and resilient European Defence Industry*. https://defence-industry-space.ec.europa.eu/document/download/643c4a00-0da9-4768-83cd-a5628f5c3063_en?filename=EDIS%20Joint%20Communication.pdf
- European Commission. (2024b). *Regulation of the European Parliament and the Council establishing the European Defence Industry Programme and a framework of measures to ensure the timely availability and supply of defence products ('EDIP')*. https://defence-industry-space.ec.europa.eu/document/download/6cd3b158-d11a-4ac4-8298-91491e5fa424_en?filename=EDIP%20Proposal%20for%20a%20Regulation.pdf
- European Commission. (2024c). *European Defence Fund - Indicative multiannual perspective 2024-2027*. https://defence-industry-space.ec.europa.eu/document/download/fe017e8c-1c58-4d39-a8a6-e158542e8a95_en?filename=Indicative%20Multiannual%20Perspective%202024-2027.pdf
- European Commission. (2025). *EDIP - A Dedicated Programme for Defence*. https://defence-industry-space.ec.europa.eu/eu-defence-industry/edip-dedicated-programme-defence_en European Parliament. (2025). *Report on European technological sovereignty and digital infrastructure*. https://www.europarl.europa.eu/doceo/document/A-10-2025-0107_EN.html
- Fernandez, P. (2023). Europe at a Strategic Disadvantage: A Fragmented Defense Industry. *War on the Rocks*. <https://warontherocks.com/2023/04/europe-at-a-strategic-disadvantage-a-fragmented-defense-industry>
- Fiott, D. (2023). In every crisis an opportunity? European Union integration in defence and the War on Ukraine. *Journal of European Integration*, 45(3), 447-462. <https://doi.org/10.1080/07036337.2023.2183395>
- Fiott, D. (2024). Strategic Domains: Developing the EU's Capabilities and Enablers for a Free and Secure Global Order. *Future Europe Journal*, 5(2), 76-80. <https://doi.org/10.53121/ELFFEUJ5>
- Flis, D., Barca, R., & Šrotová, Z. (2025). Why the EU Fails to Deliver on Arms Pledges to Ukraine. *VSquare*. <https://vsquare.org/eu-fails-arms-pledges-ukraine-absent-ammo>
- Foy, H. (2025). Western investors 'stupid' to shun arms industry, says Nato official. *The Financial Times*. <https://www.ft.com/content/8c351d57-d5b7-4578-bc63-956a690c360f>
- George, J., & Sandler, T. (2021). EU Demand for Defense, 1990–2019: A Strategic Spatial Approach. *Games*, 12(1), Article 13. <https://doi.org/10.3390/g12010013>
- Giusti, S., & Grevi, G. (2022). *Facing War: Rethinking Europe's Security and Defence*. Ledizioni Ledi Publishing. <https://www.ispionline.it/sites/default/files/pubblicazioni/facingwar.rethinking-europes-security-and-defence.reportispi2022.pdf>
- Goldstein, T. (2024). In defense of Draghi's defense idea: Three models for a centralized defense procurer for the EU. *Atlantic Council*. <https://www.atlanticcouncil.org/blogs/new-atlanticist/in-defense-of-draghis-defense-idea-three-models-for-a-centralized-defense-procurer-for-the-eu>
- Gould, J., & Losey, S. (2022). Labor shortage still pinching aerospace and defense sector. *Defense News*. <https://www.defensenews.com/industry/2022/10/31/labor-shortage-still-pinching-aerospace-and-defense-sector>
- Grand, C. (2024). *Defending Europe with less America*. European Council on Foreign Relations. <https://ecfr.eu/publication/defending-europe-with-less-america>
- Grüning, F. (2023). *EU Strategic Partnerships*. Transport & Environment. https://te-cdn.ams3.cdn.digitaloceanspaces.com/files/2023_11_Briefing_EU_strategic_partnerships.pdf
- Hellberg, R., Sprängare, D., Candell, O., Carpenfelt, C., Lundberg, K., Samuelsson, P., ... & Backlund, L. (2025). Performance constraints in defence industry supply chains: evidence from case studies. *Defence and Peace Economics*, 1-36. <https://doi.org/10.1080/10242694.2025.2500362>
- Chopin, T., & Naïm, A. (2023). "European values" under pressure from war in Ukraine. Jacques Delors Institute. https://institutdelors.eu/content/uploads/2025/04/PP289_valeurs-europeennes-Ukraine-Chopin-Naim_EN.pdf
- Ivančík, R., & Andrassy, A. (2025). Discussing EU's Security Identity: Defence Spending, Strategic Autonomy and Transition from Normative Ambition to Geopolitical Reality. *Entrepreneurship and Sustainability Issues*, 13(1), 411-425. <https://doi.org/10.9770/c2892383535>

- Ivančík, R., & Nečas, P. (2023). Security and defense are truly a priority for the member states of the European Union: Fact of hoax? *Entrepreneurship and Sustainability Issues*, 10(3), 73–83. [https://doi.org/10.9770/jesi.2023.10.3\(6\)](https://doi.org/10.9770/jesi.2023.10.3(6))
- Hackett, J., Sabatino, E., Bint, M., Naradichiantama, D., Gjerstad, M., Bentham, J., Fischbach, J., Bearn, L., & Clavilier, Y. (2025). *Critical Raw Materials and European Defence*. The International Institute for Strategic Studies. https://www.iiss.org/globalassets/media-library---content--migration/files/research-papers/2025/03/iiss_critical-raw-materials-and-european-defence_25032025.pdf
- Jurčák, V., & Ivančík, R. (2023). Od Spoločnej bezpečnostnej a obrannej politiky k spoločnej armáde Európskej únie? *Vojenské rozhledy*, 32(1), 18-34. <https://doi.org/10.3849/2336-2995.32.2023.01.018-034>
- Kavan, Š., Kročová, Š., & Pokorný, J. (2021). Assessment of the Readiness and Resilience of Czech Society against Water-Related Crises. *Hydrology*, 8(1), 14. <https://doi.org/10.3390/hydrology8010014>
- Kollias, C., & Tzeremes, P. (2025). Europe's defence industrial strategy and the EDTIB: a connectedness-based analysis of major European defence industries. *European Security*, 1-27. <https://doi.org/10.1080/09662839.2025.2500296>
- Kompan, J., & Hrnčiar, M. (2021). Security force assistance advisory team – inputs and outcomes. *Vojenské rozhledy*, 30(2), 55-69. <https://doi.org/10.3849/2336-2995.30.2021.02.055-069>
- Kotila, B., Drezner, J. A., Bartels, E. M., Hill, D., Hodgson, Q. E., Huilgol, S. S., Manuel, S., Simpson, M., & Wong, J. P. (2023). *Strengthening the Defense Innovation Ecosystem*. RAND Corporation. https://www.rand.org/pubs/research_reports/RRA1352-1.html
- Kurç, Ç., & Neuman, S. G. (2017). Defence industries in the 21st century: a comparative analysis. *Defence Studies*, 17(3), 219-227. <https://doi.org/10.1080/14702436.2017.1350105>
- Martino, L., & Gamal, N. (2022). *European Cybersecurity in Context. A Policy-Oriented Comparative Analysis*. European Liberal Forum. https://liberalforum.eu/wp-content/uploads/2022/08/European-Cybersecurity-in-Context_ELF-Study_Techno-Politics.pdf
- Mejino-López, J., & Wolff, G. B. (2024a). A European defence industrial strategy in a hostile world. *Bruegel*. <https://www.bruegel.org/policy-brief/european-defence-industrial-strategy-hostile-world>
- Mejino-López, J., & Wolff, G. B. (2024b). What role do imports play in European defence? *Bruegel*. <https://www.bruegel.org/analysis/what-role-do-imports-play-european-defence>
- Grisé, M., Cozad, M., Dowd, A. M., Hvizda, M., Kennedy, J., Kepe, M., de Lataillade, C., Marcinek, K., & Woodworth, D. (2025). *Russia's Military After Ukraine: Potential Pathways for the Postwar Reconstitution of the Russian Armed Forces*. RAND Corporation. https://www.rand.org/content/dam/rand/pubs/research_reports/RRA2700/RRA2713-1/RAND_RRA2713-1.pdf
- Mölling, C., & Hellmonds, S. (2024). *Sovereign: A dynamic defence industrial and technological base*. European Parliament. [https://www.europarl.europa.eu/RegData/etudes/BRIE/2024/754457/EXPO_BRI\(2024\)754457_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2024/754457/EXPO_BRI(2024)754457_EN.pdf)
- Monaghan, S. (2023). *Solving Europe's Defense Dilemma: Overcoming the Challenges to European Defense Cooperation*. Center for Strategic and International Studies. <https://www.csis.org/analysis/solving-europes-defense-dilemma-overcoming-challenges-european-defense-cooperation>
- Mueller, T. (2024). Drivers and Impact of European Defence Market Integration: A Literature Meta-Synthesis with Economic Focus. *Defence and Peace Economics*, 36(5), 577-612. <https://doi.org/10.1080/10242694.2024.2396416>
- Nečas, P., & Kollár, D. (2018). Bezpečnostná stratégia EÚ jej význam pre sektorovú bezpečnosť. *Aktuálne otázky svetovej ekonomiky a politiky 2018*, 519-529. https://fmv.euba.sk/www_write/files/veda-vyskum/konferencia-smolenice/2018/Smolenice_2018.pdf
- Okunevičiūtė Neverauskienė, L., Kvietkauskienė, A., Tvaronavičienė, M., Danilevičienė, I., & Gedvilaitė, D. (2025). Evaluation of Renewable Energy Sources Sector Development in the European Union. In *Energies*, 18(17), 4786. <https://doi.org/10.3390/en18174786>
- Raik, K., Terlikowski, M., & Baumann, M. (2025). *Beyond Burden Sharing: Conceptualizing the European Pillar of NATO*. German Council on Foreign Relations. <https://dgap.org/en/research/publications/beyond-burden-sharing-conceptualizing-european-pillar-nato>
- Ristvej, J., Halúsková, B., Andrassy, V., Jánošíková, M., & Lacinák, M. (2022). Building readiness using available modelling and simulation resources. *Annual European simulation and modelling conference 2022 – Conference Proceedings of the 36th International Scientific Conference*. Oostende: EUROSIS-ETI, 2022, 36, 264-270.

- Robakidze, G. (2025). *White Paper for European Defence Readiness 2030 - An In-Depth Analysis for Non-Experts*. EU Awareness Centre. <https://euawareness.org/wp-content/uploads/2025/05/European-Defence-Readiness-2030.pdf>
- Scazzieri, L. (2024). *NATO after the Hague summit: Building the European pillar*. European Union Institute for Security Studies. <https://www.iss.europa.eu/publications/commentary/nato-after-hague-summit-building-european-pillar>
- Scazzieri, L. (2025). *Towards an EU 'defence union'?* Centre for European Union. https://www.cer.eu/sites/default/files/pb_LS_defence_union_29.1.25.pdf
- Scortecchi, G. (2021). *The European Defense Industry: From Fragmentation to Innovation*. [Master's thesis]. Luiss Guido Carli University. https://tesi.luiss.it/28498/1/637242_Scortecchi_Gianmarco.pdf
- Sezal, M. A., & Giumelli, F. (2022). Technology transfer and defence sector dynamics: the case of the Netherlands. *European Security*, 31(4), 558-575. <https://doi.org/10.1080/09662839.2022.2028277>
- SIPRI. (2025). *SIPRI Military Expenditure Database*. Stockholm International Peace Research Institute. <https://www.sipri.org/databases/milex>
- Soler, P. (2025a). 'Skilled workers wanted': The EU's defence industry struggles to find the right talent. *Euronews*. <https://www.euronews.com/my-europe/2025/02/26/skilled-workers-wanted-the-eus-defence-industry-struggles-to-find-the-right-talent>
- Soler, P. (2025b). Europe remains 'highly vulnerable' and dependent on US defence production – report. *Euronews*. <https://www.euronews.com/my-europe/2025/06/20/europe-remains-highly-vulnerable-and-dependent-on-us-defence-production-report>
- Tanghe, M. (2025). *What European NATO Lacks*. Center for European Policy Analysis. <https://cepa.org/article/what-european-nato-lacks>
- Tavares da Costa, R., Krausmann E., & Hadjisavvas, C. (2023). *Impacts of climate change on defence-related critical energy infrastructure*. European Commission & European Defence Agency. <https://eda.europa.eu/docs/default-source/brochures/climate-report.pdf>
- Tvaronavičienė, M. 2024. The Transition towards Renewable Energy: The Challenge of Sustainable Resource Management for a Circular Economy. *Energies*, 17(17), 4242. <https://doi.org/10.3390/en17174242>
- Vaynman, J., & Volpe, T. A. (2023). Dual Use Deception: How Technology Shapes Cooperation in International Relations. *International Organization*, 77(3), 599-632. <https://doi.org/10.1017/S0020818323000140>
- Vincorion. (2024). *Whitepaper „What you need to know about Green Defense“*. Vincorion Advanced Systems. <https://www.vincorion.com/en/whitepaper/#part2>
- Wiesner, C., & Knodt, M. (2024). *The War Against Ukraine and the EU*. Palgrave Macmillan Cham. <https://doi.org/10.1007/978-3-031-35040-5>

Data Availability Statement: More information and data can be obtained from the authors on a reasonable request.

Author Contributions: The authors contributed equally, they have read and agreed to the published version of the manuscript.

Radoslav IVANČÍK, Assoc. Prof. Dipl. Eng., PhD. et PhD., MBA, MSc. is an associate professor at the Department of Philosophy and Political Science, Faculty of Arts, Constantine the Philosopher University in Nitra, Slovakia.

ORCID: <https://orcid.org/0000-0003-2233-1014>

Ivan MAJCHÚT, Assoc. Prof. Dipl. Eng., PhD. is an associate professor at the Department of Security and Defence, Armed Forces Academy of General Milan Rastislav Štefánik in Liptovský Mikuláš, Slovakia.

ORCID: <https://orcid.org/0000-0002-7790-2147>

Copyright © 2026 by author(s). Publishing rights by Entrepreneurship and Sustainability Center

This work is licensed under the Creative Commons Attribution International License (CC BY).

<http://creativecommons.org/licenses/by/4.0/>

