Special mode of economic development of European countries in the post-war period: legal experience

Спеціальний режим економічного розвитку європейських країн у післявоєнний період: правовий досвід

Received: October 3, 2022  Accepted: November 5, 2022

Abstract

Today, when Ukraine suffers from a terrible war, research on economic and legal trends within the framework of restoration of the affected territories is gaining a certain urgency. The analysis of the legal experience of European countries with a special mode of economic development, which may become an effective basis for the restoration of the territories of Ukraine after the military actions, requires a special emphasis in this context. The study is based on an analysis of scientific and applied approaches to post-war management and the presentation of economic results in European countries, where the experience of Bosnia and Herzegovina, Serbia, Italy and Spain play an important role. The authors paid considerable attention to the analysis of the Ukrainian case in 2014, when Russia occupied Crimea and part of Luhansk and Donetsk regions. Based on European and Ukrainian experience, it has been proved that the main criterion of economic development, which may become an effective basis for the restoration of the territories of Ukraine after the military actions, requires a special emphasis in this context. The study is based on an analysis of scientific and applied approaches to post-war management and the presentation of economic results in European countries, where the experience of Bosnia and Herzegovina, Serbia, Italy and Spain play an important role. The authors paid considerable attention to the analysis of the Ukrainian case in 2014, when Russia occupied Crimea and part of Luhansk and Donetsk regions. Based on European and Ukrainian experience, it has been proved that the main criterion of economic development, which may become an effective basis for the restoration of the territories of Ukraine after the military actions, requires a special emphasis in this context. The study is based on an analysis of scientific and applied approaches to post-war management and the presentation of economic results in European countries, where the experience of Bosnia and Herzegovina, Serbia, Italy and Spain play an important role. The authors paid considerable attention to the analysis of the Ukrainian case in 2014, when Russia occupied Crimea and part of Luhansk and Donetsk regions. Based on European and Ukrainian experience, it has been proved that the main criterion of economic development, which may become an effective basis for the restoration of the territories of Ukraine after the military actions, requires a special emphasis in this context.

DOI: https://doi.org/10.34069/AI/2022.57.09.17

How to Cite:

Written by:
Inna Zablodska
https://orcid.org/0000-0002-1410-6194
Yuliia Rohozian
https://orcid.org/0000-0001-5325-4213
Stanislav Sieriebriak
https://orcid.org/0000-0001-7207-594X
Mykhailo Plietnov
https://orcid.org/0000-0002-8482-9419
Viktoriia Vakhlakova
https://orcid.org/0000-0002-4991-9996

Анотація

Сьогодні, коли Україна потерпіла від страшної війни, дослідження економіко-правових тенденцій у рамках відновлення постраждалих територій набувають визначної актуальності. Особливого наголошує в даному контексті потребує аналіз правового досвіду європейських країн зі спеціальним режимом економічного розвитку, який може стати дієвим підґрунтям для відновлення територій України після закінчення військових дій. Дослідження ґрунтується на аналізі науково-прикладних підходів до повоєнного управління й висвітлення економічних результатів у країнах Європи, де важливу роль відіграє досвід Боснії та Герцеговини, Сербії, Італії та Іспанії. Крім того, автори приділили увагу аналізу українського кейсу 2014 року, пов’язаного з російською окупацією Криму й частини Луганської та Донецької областей. На основі європейського та українського досвіду доведено, що головним критерієм ефективності...
efficiency in the post-war period is improvement of the quality of life of the population.

Keywords: special mode of economic development, legal experience, European countries, recovery, instruments, post-war period, quality of life of the population.

Introduction

The war launched against Ukraine by the Russian Federation on February 24, 2022, has become the largest military conflict in the European space since the Second World War. During this war, Russia uses various methods of combat against Ukraine, which provide for maximum use of artillery and missile attacks in Ukrainian cities. Among the most affected cities during the war, Mariupol, Kharkiv, Chernihiv, Sievierodonetsk, Lysychansk, Sumy, Rubizhne, Izium, Mykolayiv, Bakhmut. This has also resulted in significant casualties among the civilian population and large-scale destruction and damage to the housing stock, administrative buildings, infrastructure, cultural and architectural structures throughout the country, and, above all, in the areas of active fighting in Kharkiv, Luhansk, Donetsk, Kherson, Mykolayiv, Zaporizhzhia, Sumy, Chernihiv and Dnipropetrovsk regions.

Mass character of damages and destruction allows to draw conclusions about large losses of physical assets, indirect losses of economy, in the industry, causes urgent necessity of restoration of damaged or destroyed assets in order to carry out active economic activity. Therefore, the definition of the characteristics of the special mode of economic development in the post-war period and the study of the existing legal experience in Europe will allow Ukraine to restore economy quickly and take into account errors and miscalculations of such countries as Bosnia and Herzegovina, Serbia, Italy and Spain, etc.

Theoretical Framework or Literature Review

The economic opinion of the redrawn problem is characterized by quite different, often even opposite, views. The latter have undergone dramatic changes in different times, both through the development of economic science and under the influence of the transformation of production processes and economies of certain countries of the world through war. For many decades the world and domestic scientists have been investigating the problems and peculiarities of economic recovery after crises (including after war) on local territories, especially in Ukraine, because the country has been going through war for eight years.


Methodology

The purpose of this work is to define the peculiarities of the special mode of economic development in the post-war period in Ukraine by studying the existing legal experience in the countries of Europe in order to quickly restore the economy by taking into account mistakes and miscalculations.

This scientific work is based on official data of Ukraine, normative-legal documents, which are valid in Ukraine concerning development of economic activity in military and post-war time. Scientific and applied approaches to the economy, which are used in the work, provide application of comparative analysis of information for generalization of experience of peculiarities of the economy in the countries of Europe in the post-war time. The methods of synthesis and visualization are used. The research is also based on the theory of regionalistics, economic analysis and statistics. The study is also based on the index method of analysis of the quality of life of the population and its ranking. To analyze the quality of life of
the population, the Numdeo is the world's largest cost-of-living database. To obtain a thorough conclusion, the authors relied on scientific development of leading scientists and economists on effective management through military conflicts.

**Results and Discussion**

1. **Scientific and applied approaches to the special mode of economic development in the post-war time**

The military conditions of economic activity make it necessary to apply special methods, tools and approaches to the development of the country’s economy, which was destroyed by war. The set of these special methods, tools and approaches is based on the definition of the most effective forms, fiscal methods and tools of providing support to producers and the population by providing subsidies, state aid, financial support, budget support, protection of commodity producers, etc.

The work of many scientists, devoted to problems of support of enterprises and certain branches of economy, is traced first of all to the fact that support of producers is related to their own support by the state. That is why the research mainly uses state support, which is an integral part of state regulation of economic activity in the post-war period and is a combination of different levers and instruments, preferential and free financing of producers.

Producer support is an integral part of the system of state regulation of the economy in the post-war period and a way of achieving the goals of the post-war economic policy, which includes means related to the ratio of resources, first of all budget funds, both in the form of direct financing and in other forms of preference and incentives, and are implemented to promote effective economic activity of producers as the basis for economic recovery. In the issues of producer support, the most discussions among scientists are held on expediency and volume of support of economic activity, as well as forms, methods and means of its realization. And under the economic activity in understands the activity of economic entities in the sphere of public production, aimed at manufacturing and sale of products, performance of works or rendering services of a value nature, which have a price definition (Bandorina & Savchuk, 2017).

The importance and importance of economic activity for the economy of any country was started in Germany at the end of XIX and beginning of XX century, and later - in the Soviet Union. Since then, the role of the state in controlling the country’s economy has been strengthened in order to ensure the realization of public and state interests through support from producers of certain sectors. But the difference between approaches to economic development in the post-war time is that the destruction or destruction of economic activity occurs on local territories, not on the whole territory. Therefore, the peculiarities of the management in the post-war time have territorial differences.

For instance, Bosnia and Herzegovina has used the following approaches to the development in the post-war period:

- economic entities are created and functioning according to the following rules:
  - the enterprise acquires the status of a legal entity, and the individual acquires the status of an independent entrepreneur by means of its inclusion in the register of enterprises and entrepreneurs;
  - in an individual or legal entity, registered outside Bosnia and Herzegovina, a branch may operate within the country's districts if the business entity is registered in the country of residence for more than one year or if the enterprise has a minimum capital of at least 500 000 conversion marks of Bosnia and Herzegovina or equivalent in euros;
  - the name of the enterprise of any ownership form cannot contain names of administrative-territorial units of Bosnia and Herzegovina, foreign or international enterprises registered in the territory of the country. The exception to this rule is the possibility to name the enterprise using the words "Brcko", "District" and "Bosnia and Herzegovina" as instruments for repositioning of the post-conflict territory and increasing its recognition, but the derived from these words and their reduction can be used only with the permission of the Department of Professional and Administrative Affairs of the Local Council of Brcko;
  - foreign investors have the right to open an account in any commercial bank on the territory of Brcko in local or any other freely convertible currency for investment purposes, and can freely and without delay transfer abroad to the freely convertible currency their profit received as a result of their investment activities in the area. Such foreign investments are not subject to nationalization, expropriation or other
processes with similar consequences, except for exclusive public interests of residents of Brcko district in accordance with local rules (Law No. 13, 2006).

The following approaches were used in Brcko district to develop the economy in the post-war period as well as foreign investments were allowed to flow into the following forms:

- creation of a legal entity in common national and foreign property;
- taking full responsibility for a local legal entity by a foreign business entity;
- investing in the activity of an existing legal entity;
- specific forms of investment approved by the head of the Brcko district (for example, investments in military enterprises) (Law No. 01.3-05-1188/11, 2011).

The following customs and fiscal privileges have been established in the Republic of Serbia on the affected territories:

- exemption from payment of customs duties and other import duties for goods intended for construction of objects in the free zone (raw materials, equipment, building materials);
- exemption of economic entities from the payment of the value-added tax for energy consumption;
- exemption from vat for sale of goods and services in a free zone, as well as for sale of goods between users of two free zones;
- absence of bank guarantee for collection of customs debts for foreign goods, which are in the free zone, intended for realization of production activity;
- exemption from vat when importing goods into a free zone, as well as provision of transport and other services related to the import of goods (Club Advanced, 2014). Summing up, it is possible to assert that the general features of development in the post-war time should be attributed to economic and legal, figure 1.

![Figure 1.](image)

**Figure 1.** Dualism of features of efficient special mode of economic development after war (Source: own processing)

Thus, effective special mode of economic development in the post-war period is possible only by the results of analysis of the state of the country’s economy after the war for adaptation, improvement of the current legislation on economic recovery, search of ways of development of all kinds of economic activity with the purpose of improving the quality of life of the population.

2. **Results analysis of special mode of economic development in the post-war period in the European countries**

The war in Bosnia and Herzegovina has forced the representatives of the state authorities to face a huge challenge: To restore the economy and provide conditions for the return of refugees and internally displaced persons, but the process has become more acute because of the complete absence of political and ethnic unity between Bosnia and Herzegovina. Moreover, the country had a legacy of the centralized and planned economy, despite the fact that before the war the territory of the entire former Yugoslavia began to move slowly toward a market economy. Therefore, Bosnia and Herzegovina has faced three major post-conflict challenges, more or less typical of many post-conflict areas (especially in developing countries):

- firstly, it was necessary to implement programs of reconstruction and rehabilitation of affected areas, to cover military losses;
– secondly, to develop a new management structure at both the state and local levels;
– thirdly, ensure effective governance and the process of transition to the market economy in the context of creating employment opportunities for refugees, displaced persons and demineralized soldiers (Lake, 1990).

That is why the law "On encouragement of economic development in the territory of the district of Brcko Bosnia and Herzegovina" was adopted, which defined the right of Brcko entrepreneurs to realize the following benefits for efficient business:

1. Full exemption from payment of the utility fee for the registration of the enterprise;
2. Compensation of paid judicial fees connected with creation of business entity and registration of changes in the court register;
3. Compensation of paid special fees and services connected with connection of the subject of economic activity to the electric network, water-sewerage network;
4. Compensation of taxi, necessary for obtaining consent from the local authority and building permit;
5. Setting of payment for electricity and water consumption for business entities at the price level determined for citizens;
6. Possibility of compensation of part of paid labor contribution (amount of labor payment for all years of work in a company with unlimited or limited liability; a team or joint-stock company);
7. Compensation of 50% of the total amount allocated by the small and medium-sized enterprise for medical insurance of 1 employee; it is carried out for a three-year period;
8. Compensation of wages during maternity leave of the employee falling on the burden of the employer is covered by the district by 100%;
9. The district will reimburse the entities for the amount of new investments invested in the purchase of fixed assets, which are included in the amount of the established and paid income tax for the calendar year in which such funds were purchased; the right to compensation can be realized three times.

Interestingly, the provisions of the normative-legal act also provide penalties for those economic entities that have the purpose of illegal use of the above-mentioned preferences. Thus, in 2006, when the Law began to act, for such entities it was envisaged a fine in the amount of 5,000,00 to 10,000,00 convertible stamps of Bosnia and Herzegovina for submission of unreliable information about the enterprise or its founders and participants, as well as for submission of relevant documents not within a specified period of time (Law No. 13, 2006).

In the post-war period, there was continued support from international donors for Bosnia and Herzegovina. It was planned that by financing short-term programs of economic recovery the country will be able to gradually supplement this process with its own resources, and then, in the strategic perspective, to completely abandon external funds. However, this plan has not yet found its implementation, the country still depends on external technical and financial support, which significantly reduces the efficiency of economic activity.

The main result of the full restoration of Bosnia and Herzegovina was the establishment of the Brcko district, which had excellent economic conditions, i.e., the construction of incentives for economic recovery of the territory. At the moment, the implementation of the Dayton Agreement, the implementation of the program instruments of international donors and the legal instruments of 2001-2006 years in the Brcko district have formed successful experience only in the part concerning military issues (dissolving enemy parties, moving heavy weapons), but still remain unresolved problems of socio-economic character, returning refugees and displaced persons, arrest of war criminals, creation of effective and non-corrupt local institutions of government, removal of shadow economy (Bagatsky, 2016).

Serbia also created free economic zones in the post-war period, which became an effective instrument of efficient economic management in the destroyed territories by increasing their inflow of investment, increasing exports and, consequently, improving the balance of payments of the whole country. Other territories of Serbia, characterized by a reduced level of development compared to other regions, are Vojvodina, where except for Serbs, which make up 65% of the total population live in Hungarians, Croatians, Ukrainians, Slovaks, Gypsies, Romanians and Germans (International Crisis Group, 1998), which occasionally leads to a conflict of interests in one or another sphere. That is why in recent years the territory has started to face uneven employment among representatives of different national groups, which is the main destabilizing factor of
development. This imbalance in the labor sector leads not only to a lack of income, but also to a lack of strength and independence, since the problems of national minorities are generally neglected at all levels of government (Club Advanced, 2014).

In this context, the experience of South Tyrol, on the territory of which the phenomenon of "Tyrol separatism" appeared, connected with presence in the border areas of Italy of the German-speaking population, is important. The South Tyrol conflict arose in 1919 after the accession of South Tyrol to Italy at the end of the First World War – the region in the Alps, which for almost 600 years was part of Austria with a predominantly German population (95%). At the same time, the Italian government tried to pursue a policy of forced marginalization in the region, which led to the explosion of violence and the beginning of terrorist attacks. The conflict was particularly acute between 1956 and 1988, during which time the separatists of South Tyrol carried out more than 360 terrorist attacks, the victims of which were dozens of people, significant destruction of infrastructure. For instance, from June 11 to 13, 1961, during the so-called "night of fire", the separatists broke 50 poles of electric transmission, removing the industrial region of Italy Bolzano electricity and interrupting the railway connection.

Despite the fact that under pressure from the UN the parties reached an agreement in 1969, having signed a “peace pact”, this confrontation lasted until 1992, and de jure ended in 2001, when South Tyrol gained an expanded autonomous status, which includes the legislative status and mechanisms for the protection of national minorities in all spheres of life. Today South Tyrol is one of the richest regions of Italy and in order to avoid conflicts in the economic sphere, in 2019 the following preferences were introduced:

- the province receives almost all revenues from state taxes collected in South Tyrol, as well as abroad, while only 1/10 revenues are kept by the state to finance its own powers, which emphasizes the financial autonomy of the given territory;
- only in this region German language is equal to Italian and recognized as official language, which can be applied in administrative, criminal, judicial, law enforcement and other spheres of life.
- the composition of the authorities of South Tyrol and the police should correspond to the numerical proportions of the national language groups living on this territory (Bortnyk, 2022).

Over the past few years, it has become increasingly possible to hear about Catalonia’s attempts (an autonomous region of Spain) to gain full independence and finally to separate itself from the state. In 2006, the autonomy of this region was extended, enabling the creation of its own tax administration and the introduction of a new model of distribution of tax revenues, in particular from value added taxes and corporate profits. The aim of this specific practice was to displeased the local population with the flow of money from Catalonia. Even though today Catalonia’s economy is on the rise (2021 gross regional product growth of 2.7% per year is recorded), representatives of local authorities are seeking to introduce special tax preferences and separate regime of economic activity on the territory of the region through the unfair system of distribution of the state budget. It is a matter of fact that in Spain this system functions at the expense of basic and reverse subsidies, which are considered as a mechanism of levelling and horizontal planning of tax capacity of individual regions of the country and are two opposite financial flows. For Catalonia, the reverse subsidy is about 120% of the country’s average level, and the subsidy is 100% and less, which means that Catalans pay more than others to the country’s overall budget, but get less (Kusch, 2017).

An important case concerning the peculiarities of economic activity due to a war or military conflict is observed in Spain, which belongs to the region of "Basque country" (or as it is called Spaniards – Baskonia), known by separatist processes, which were developed on the basis of ethnic cultural differences, reinforced by ineffective state policy and economic problems. However, Spain, as a unitary state, was able to find a political solution – to determine the special status of autonomy for the Basque country.

After the end of the Second World War, the Basque country was founded initially by the nationalist organization “eta” (bask. "Euskadi ta Askatasuna"; eng. “Basque country and Freedom"), which later transformed into a military organization, which was forced (often terrorist) to separate the region from Spain in order to create an independent Basque state. The organization opened a terrorist and partisan war against the authorities, which killed about a thousand people. As a base of operations, it used the border areas of France, where there are also many Basque people. Peaceful negotiations with
the EU have repeatedly been frustrated, and the level of distrust between the representatives of Spain, the Basques, was extremely high, which was complicated by the absence of rational negotiating parties. In 1978, the Spanish government took a huge risk – the new constitution of the country consolidated the autonomous status of the Basque country, which significantly reduced the social support of the Basque radical separatists and led to the formation of a legal political entity – the Basque nationalist Party, which enjoys the support of the population of the region, and is also a guarantor for integration and political dialog with Spain (Bortnyk, 2022).

The Statute of autonomy, which was agreed upon for the Basque country, gave it an exclusive jurisdiction on issues affecting social security, health care, welfare, labor relations and working conditions, education, culture, communications, environmental protection, control over transport and agriculture and fisheries. This meant that the Basques could have freedom in both cultural and economic matters.

An interesting development concerning the peculiarities of the economy was in Ukraine during 2014-2022. In 2014, Russia occupied Crimea and part of Luhansk and Donetsk regions, so after the end of military actions in the East of Ukraine for a long time the state has promoted intensification of economic activity in these territories. Only in 2020 the Concept of Economic Development of Donetsk and Luhansk Regions was approved. The purpose of the Concept was to define conceptual approaches and main directions of development of the Strategy of economic development of Donetsk and Lugansk regions for creation of normative-legal, institutional and organizational conditions concerning formation and development of economy of Donetsk and Lugansk regions on the basis of complex introduction of separate system of management and organization of economic processes with wide attraction of investment resources, that will become the basis for the ahead development of territorial communities of Donetsk and Luhansk regions, providing comfortable living conditions, self-realization, development of citizens and improvement of their quality of life, and later full-scale reintegration of temporarily occupied territories after their return to the unified constitutional space of Ukraine (Order No. 1660, 2020).

And in 2021 the Strategy of Economic Development of Donetsk and Lugansk regions was developed and approved till 2030. The strategy envisages the introduction of special conditions and formation of priority development areas, the state stimulation of development and implementation of new economic development models, which will serve as a unifying mechanism based on a simple and clear logic — community development to create comfortable conditions for citizens and improve their quality of life through efficient economic management (Decree No. 1078-r., 2021).

Creation of priority development areas will be with three levels of special regimes on the territory of communities adjacent to the line of demarcation with temporarily occupied territories, on the whole territory of Donetsk and Luhansk regions, on the territory of separate production and recreational clusters, in particular innovation and industrial ones, which will provide for creation of incentive conditions for each separate type of level. Also, an experiment will be introduced in priority development areas to create opportunities to change the control system on the part of state authorities to the function of voluntary liability insurance of business owners. However, due to the beginning of the full-scale war against Ukraine on February 24, 2022, this strategy was not implemented.

Thus, the main feature of efficient economic management in the post-war period is restoration of destroyed territories – regions by means of introduction of special legal regime of economic management, figure 2.
Figure 2. Features of efficient special mode of economic development in the post-war time: legal experience (source: own processing)

The main criterion of the efficiency of economic management in the post-war period is the improvement of the quality of life of the population. The quality of life is estimated by the following dimensions: cost of life, purchasing power, security, health care, ratio of real estate price and income, travel time, pollution level, climate conditions.

Numbeo is the world’s largest cost of living database as well as a crowd-sourced global database of quality-of-life data: housing indicators, perceived crime rates, healthcare quality, transport quality, and other statistics (Numbeo, 2022). The quality of life index is an estimation of the overall quality of life by means of an assessment formula that takes into account the index of purchasing power (the higher the better), the index of pollution of the environment (the lower the better), the ratio of housing price to income (the better), the index of cost of living (the lower the better), the index of safety (the higher the better), the health care index (the higher the better), the travel time index (the lower the better) and the climatic index (the higher the better). The quality-of-life index in Europe as of mid-2022 and its ranking are shown in table 1.

Table 1.
Quality of life Index in Europe as of mid-2022

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>The quality-of-life index</th>
<th>Rank</th>
<th>Country</th>
<th>The quality-of-life index</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Switzerland</td>
<td>195.06</td>
<td>19</td>
<td>Belgium</td>
<td>155.76</td>
</tr>
<tr>
<td>2</td>
<td>Denmark</td>
<td>194.15</td>
<td>20</td>
<td>France</td>
<td>152.74</td>
</tr>
<tr>
<td>3</td>
<td>Netherlands</td>
<td>191.46</td>
<td>21</td>
<td>Latvia</td>
<td>152.22</td>
</tr>
<tr>
<td>4</td>
<td>Finland</td>
<td>186.84</td>
<td>22</td>
<td>Ireland</td>
<td>151.73</td>
</tr>
<tr>
<td>5</td>
<td>Iceland</td>
<td>184.48</td>
<td>23</td>
<td>Slovakia</td>
<td>150.50</td>
</tr>
<tr>
<td>6</td>
<td>Norway</td>
<td>179.63</td>
<td>24</td>
<td>Italy</td>
<td>137.27</td>
</tr>
<tr>
<td>7</td>
<td>Germany</td>
<td>178.32</td>
<td>25</td>
<td>Hungary</td>
<td>136.22</td>
</tr>
<tr>
<td>8</td>
<td>Austria</td>
<td>178.06</td>
<td>26</td>
<td>Poland</td>
<td>132.16</td>
</tr>
<tr>
<td>9</td>
<td>Estonia</td>
<td>173.83</td>
<td>27</td>
<td>Romania</td>
<td>131.09</td>
</tr>
<tr>
<td>10</td>
<td>Luxembourg</td>
<td>173.76</td>
<td>28</td>
<td>Bosnia and Herzegovina</td>
<td>129.37</td>
</tr>
<tr>
<td>11</td>
<td>Sweden</td>
<td>173.71</td>
<td>29</td>
<td>Bulgaria</td>
<td>128.96</td>
</tr>
<tr>
<td>12</td>
<td>Spain</td>
<td>173.01</td>
<td>30</td>
<td>Greece</td>
<td>127.08</td>
</tr>
<tr>
<td>13</td>
<td>Slovenia</td>
<td>168.74</td>
<td>31</td>
<td>Serbia</td>
<td>120.40</td>
</tr>
<tr>
<td>14</td>
<td>United Kingdom</td>
<td>164.80</td>
<td>32</td>
<td>Ukraine</td>
<td>112.06</td>
</tr>
<tr>
<td>15</td>
<td>Czech Republic</td>
<td>163.78</td>
<td>33</td>
<td>Northern Macedonia</td>
<td>109.82</td>
</tr>
<tr>
<td>16</td>
<td>Lithuania</td>
<td>162.95</td>
<td>34</td>
<td>Belarus</td>
<td>109.60</td>
</tr>
<tr>
<td>17</td>
<td>Croatia</td>
<td>162.74</td>
<td>35</td>
<td>Malta</td>
<td>106.08</td>
</tr>
<tr>
<td>18</td>
<td>Portugal</td>
<td>162.17</td>
<td>36</td>
<td>Russia</td>
<td>103.19</td>
</tr>
</tbody>
</table>

(Source: own processing based on (Numbeo, 2022)
According to the data of Table 1 in Ukraine, the quality-of-life index of the population is very low – 112.06. It ranks 32 among the countries of Europe: this low standard of living is due to the war that is now taking place in Ukraine.

**Conclusions**

The conducted research of experience and peculiarities of management in the post-war period in different cabs of Europe allowed to make the following conclusions. The military conditions of economic activity make it necessary to apply special methods, tools and approaches to the development of the country's economy, which was destroyed by war. The work of many scientists, devoted to problems of support of enterprises and certain branches of economy, is traced first of all to the fact that support of producers is related to their own support by the state. The economic opinion of the redrawn problem is characterized by quite different, often even opposite, views.

The difference of approaches to special mode of economic development in the post-war time is that destruction or destruction of economic activity occurs on local territories, not on the whole territory. Therefore, the peculiarities of the management in the post-war time have territorial differences. And every country uses its instruments to build up its economy in the post-war period. However, it can be argued that economic and legal aspects should be included in the general features of economic management in the post-war period. And effective economic management in the post-war period is possible only by the results of analysis of the state of the country's economy after the war for adaptation, improvement of the current legislation on economic recovery, search of ways of development of all kinds of economic activity in order to improve the quality of life of the population.

The analysis of the results of the post-war period in the European countries proved that Bosnia and Herzegovina faced three major post-conflict challenges, which are more or less characteristic of many post-conflict areas (especially in developing countries): First, programs of reconstruction and rehabilitation of affected areas, covering military losses were to be implemented; secondly, to develop a new management structure at both the state and local levels; thirdly, to ensure effective management and the process of transition of the country to a market economy, in the context of creating opportunities for employment of refugees, displaced persons and demineralized soldiers. And the main result of the restoration of Bosnia and Herzegovina in full time was the establishment of the Brcko district, which had excellent economic conditions, i.e., the construction of incentives for economic recovery of the territory.

Serbia also created free economic zones in the post-war period, which became an effective instrument of efficient economic management in the destroyed territories by increasing their inflow of investment, increasing exports and, consequently, improving the balance of payments of the whole country. This instrument was used in Italy, Spain and other European countries. This tool – the formation of priority development areas or territories with special development conditions, Ukraine was also trying to use.

The quality of life of the population is defined as the main criterion of efficiency of management in the post-war period. The ranking of the quality-of-life index in European countries by mid-2022 made it possible to establish that Ukraine has a very low index of quality of life, which is due to the war that is currently taking place in Ukraine.

**Bibliographic references**

Bagatsky, E.V. (2016). Interaction of internal and external factors of the post-war transformation of Bosnia and Herzegovina. Odesa: I. Mechnikov Odesa National University, 70-71. [In Ukrainian]


Law No. 13. On promoting economic development in Brčko district of Bosnia and Herzegovina. Legislative Commission of the Assembly of the Brčko District of Bosnia and Herzegovina dated April 20, 2006. Available at: http://www.podaci.net/_gBiH/propis/Zakon_o_podsticanju/Z-pprazv05v0613-1017.html. [In Bosnian]

Law No. 01.3-05-1188/11. On extensions of the Brčko District of Bosnia and Herzegovina. Legislative Commission of the Assembly of the Brčko District of Bosnia and Herzegovina dated November 29, 2011. Available at: https://acortar.link/dogrven. [In Bosnian]


Numbeo (2022) Quality of Life. Available at: https://www.numbeo.com/wellness_of_life/


