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FAIRY TALES ABOUT SPACE UNICORNS: UNRAVELLING MYTHS TO CREATE A  
COMPETITIVE EUROPEAN SPACE ECONOMY

**Abstract**

Many have asked; why has Europe not been able to produce any space unicorns or as many companies revolutionising the market as the US? The author has heard several explanations, including that European companies are not innovative enough, ambitious enough, or hard working enough. Some even argue that Europe simply lacks innovate industry leaders such as Elon Musk.

The first part of this paper will argue that the problem is complex but largely structural, underpinned by a belief in a neoliberal discourse, or fairy tale, about how value is created. The neoliberal ideology shaping the global economy dictates that the free market is the best mechanism for maximising value creation in the private sector. In fact, companies are the real value-creators, and they perform the best with as little government intervention as possible.

Recently, several scholars have argued that this is a false narrative (Chang 2014; Mazzucato 2018; Weiss 2014). Contrary to popular belief, the US government has been critical and extremely hands-on in ensuring the success of new space companies. In addition, the discourse produced by the neoliberal ideology has led to counterproductive policies, where European companies are expected to compete on the global market without the same support as their US counterparts.

The second part of this paper will briefly evaluate if there has been a shift in European space policy. Both ESA and the EU have received record budgets and initiated several new activities to support European industry. In addition, several European states are looking to invigorate their national space efforts. Is Europe on the path to leave the fairy tale behind, and instead pursue policies which can adequately give European companies the support needed to compete on the global market? Or, is this simply another chapter in the same book?