

SPEECH
OF
HIS SERENE HIGHNESS
HEREDITARY PRINCE ALOIS OF
LIECHTENSTEIN

ON THE OCCASION OF THE
NATIONAL DAY 2022

ON 15 August 2022



Dear people of Liechtenstein

After two years of the pandemic, I think we would all have preferred to celebrate this year's national day without a crisis. With a bit of luck, the pandemic will not restrict us this autumn and winter as it has in recent years. However, the war in Ukraine in particular, but also the drought damage and the continuing supply chain difficulties bring additional challenges. In the meantime, we are not only worried about refugee flows and energy supply shortages, but also about rising prices for food, fuel and other important products. In addition, there is the danger of recessions in our most important sales markets and the extremely dried-up labour market.

Despite these crises, we live in a privileged position here. Inflation is still relatively low in the Swiss Franc area, we have stable public finances and the majority of our companies are in a solid position. In these difficult times, our thoughts are particularly with those most affected by the conflicts, and it was important that, in keeping with our humanitarian tradition, we were quick to help in the Ukraine crisis.

However, we should also use our good starting position to seize the opportunities that lie in all crises. With the right measures in areas such as energy, the environment, digitalisation, the labour market, the age strategy and the reconciliation of family and work, we can emerge stronger from these crises. In the following, I would like to share with you some thoughts on possible objectives for these areas and measures for achieving them.

In the field of energy, in solidarity with other European countries, we should first and foremost make use of all reasonable possibilities to save energy. In addition, we should increase both energy security and the share of clean energy. Unlike other countries, we can easily combine these two objectives by increasing our share of renewable energy. Not only does this make our energy more environmentally friendly and contribute to climate protection, but thanks to the associated diversification of energy sources, we also increase energy security. Therefore, we should develop additional, renewable energy sources such as solar energy, district heating, geothermal energy, wood combustion and biogas, and further optimise our already very advanced energy network.

We should also set goals for the labour market. Not least because of demographic developments, recruiting workers will remain a major challenge. In doing so, we should take into account the digitalisation boost that the pandemic has brought. In an increasingly digital world, we should design our compulsory education system in such a way that, if possible, every school leaver becomes a reinforcement of the labour market as quickly as possible. Further education also needs a special focus so that all those already working in the labour market are also equipped for the new, especially digital, requirements.

Furthermore, we should make our location as well as our companies even more attractive. In addition to a high-performance and stable digital infrastructure, meaningful work, flexible working hours and a good balance between family, care and work are of increasing importance in order to recruit new workers on the one hand and retain workers on the other.

Attractiveness also has to do with security. Our economy and our financial centre have proven to be robust in recent years despite many challenges. The currently discussed accession to the International Monetary Fund can bring additional security and attractiveness to the location.

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We will achieve these goals best if we understand them as a joint effort and if everyone does their best in their own area. We will get furthest if we carefully consider measures at the state level with regard to their incentive effects and if we rely above all on our strongly developed entrepreneurial spirit and our great innovative strength in achieving our goals.

With regard to price increases, we should concentrate on supporting those hardship cases on the part of the state that really need it. The steering effect of prices is normally preferable to measures of government intervention. This also applies to areas such as energy saving and investments in more environmentally friendly technologies. Measures of state intervention often end up in a planned economy, which prevents fruitful competition for the best solutions as well as the setting of as many target-oriented measures as possible in as many areas as possible.

However, the state must become active where raising public awareness and good framework conditions are not sufficient to prevent market failures and ensure sufficient cost truth. This is usually the case where - as with climate change - a large share of the costs would otherwise have to be borne not by the originator but by third parties - especially next generations. We should weigh up the advantages and disadvantages of the various governmental control measures such as subsidies and bans and then - if possible - implement them in a targeted manner and for a limited period of time.

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On today's national day, we should celebrate and be grateful. But let us also use this day and the coming months to nurture our community and to reflect on how we can emerge stronger from this time of crisis. If we succeed in further enhancing the attractiveness and reputation of our country and location, we can look to the future with confidence.

From the bottom of my heart, I thank all those who have contributed to the organisation of the national day and wish you all a wonderful festive day and God's blessing.