

SPEECH
OF
HIS SERENE HIGHNESS
HEREDITARY PRINCE ALOIS OF
LIECHTENSTEIN

ON THE OCCASION OF THE
NATIONAL DAY 2023

ON 15 August 2023



Dear people of Liechtenstein

Last years' national day was still very much under the impression of the pandemic coming to an end and the effects of the first months of war in Ukraine. In the meantime, the situation in our region has eased somewhat, but the aftermath of the pandemic and the consequences of the war are still a considerable burden. In addition, there are further global tensions and the challenges of both technological and demographic development. Europe is suffering as a result of an increasingly divided society and an uncertain economic situation with record inflation in some areas, high debt, recessions in key markets and continuing problems with international supply chains.

We are doing comparatively well, but we too remain challenged. We should quickly overcome divisions in society by building bridges. A harsh winter could drive up energy prices again. Due to the switch to renewable energies and our great dependence on foreign countries for energy supply, we must also expect higher and more volatile energy prices in the coming years. Furthermore, our economy is not only suffering from the most severe labour shortage ever, but recessions in important sales markets such as Germany could also mean additional burdens in the coming months.

Our media landscape is also going through a difficult phase. After the discontinuation of the Volksblatt, we have a monopoly situation with the daily newspapers that are so important for the formation of opinion in our country. In addition, Radio Liechtenstein is in financial difficulties and must therefore be refinanced. Ensuring sufficient quality and diversity of the media has become a challenge in a digital age for such a small market as Liechtenstein.

Dear people of Liechtenstein

In these continuing difficult times, we will soon have to make some fundamental decisions, in particular about the media sector, energy supply and the DpL's constitutional initiative to involve the people in appointing the government. In order to find the right balance in these decisions between necessary further development on the one hand and continuity and stability on the other, we must find the right answers to the following questions:

- In view of the changing framework conditions, where should we take bold steps to create better and more sustainable structures for the future?
- Where should the state be active as a provider of products or services with its own companies, where is it better to limit itself to the role of financier or even only as a regulator?
- Where should we pay attention to stability and continuity, because this is particularly attractive as a location in turbulent times?

The so successful development of our country in the last decades is also due to the fact that we have been very successful in answering these questions and in finding the right balance overall. If we make wise decisions for sustainable development according to this proven recipe for success, we can create the necessary conditions to successfully meet the increased demands in the future as well.

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According to the recently published government proposals, the objectives for the media sector are to maintain and strengthen the quality of the media, media diversity, pluralism of opinion and the free formation of opinion in Liechtenstein. The planned expansion of the digital area of radio as well as the proposed amendments to the Media Promotion Act and the Media Act should basically correspond to this objective. However, in order to find the best and most sustainable structures in the area of media, we should think even further in the direction of other options when discussing the government's proposals and have the courage to also ask ourselves the following questions:

- What tasks should our state perform in the area of the media?
- Is it sufficient that our state to act as a regulator and financier of private media?
- If so, is the increase in media funding proposed by the government sufficient to achieve its goals, or should the funding of private media be increased even more, especially with regard to the basic contribution and start-up financing?
- How can state funds for start-up financing of private media be used most effectively?
- Does our state also have to offer media content with an own company in order to maintain and strengthen media diversity, pluralism of opinion and the free formation of opinion in Liechtenstein?
- If so, is a radio the right medium for this or would a completely reoriented, digital media company be more suitable and perhaps also more cost-effective?
- If the latter, can Radio Liechtenstein be transformed into such a digital media company or does it also require a completely new approach?

In view of the smallness of the Liechtensteins media market, it is certainly necessary for our state to act not only as a regulator, but also as a financier of the private media. If we examine in detail the questions just mentioned, we could also make the right decisions on how our state should best finance the private media, whether it should additionally offer media content with its own company and - if so - what is the most appropriate way.

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In the energy sector, in view of the changing framework conditions, we should also take bold steps to create better and more sustainable structures for the future. A stable supply of energy at stable prices has long been a task of the state because of its critical role in the functioning of a modern society. In many areas of energy supply, it will be sufficient for the state to act only as a regulator. Depending on the energy sector and technological development phase, however, it may make sense for the state to offer products or services through its own companies or to use state resources to act with special payments as a financier in emergency situations or to initiate politically desired developments. The use of state for such purposes should, however, be as targeted and restrained as possible, and only for as long as the impetus is actually beneficial. Otherwise we run the risk of creating a state-directed planned economy which, on the one hand, cost the taxpayer a lot and on the other hand nips better initiatives from the private sector in the bud.

In a market situation expected for the next few years with bottlenecks on the electricity market and volatile electricity prices, a high level of self-supply would be advantageous. At present, however, we cover only a quarter of our electricity needs through self-production. We should therefore collect all suggestions for increasing self-supply and examine them for implementation proximity, interdependencies and combination possibilities as well as the cost-benefit ratio. Similar to the

successful transformation of the financial centre, we should set up a project group for this purpose with experts from the administration as well as external experts, which, with the involvement of all forces, creates broad acceptance and develops a concrete implementation plan as quickly as possible for the most sustainable energy supply possible with the highest possible proportion of self-supply. We should then implement the most promising initiatives with determination.

In view of today's special importance of a stable digital infrastructure, the support of large-scale projects by the state could also be justified, especially in the area of electricity supply. Perhaps we should even be as courageous as our forefathers, who invested a considerable share of state expenditure in a stable power supply to increase the attractiveness of the location in much more difficult times. For example, immediately after the Second World War in 1947, almost 85% of the electorate voted in favour of the construction of the Samina power plant.

Dear people of Liechtenstein

The anticipated referendum on the DpL's constitutional initiative will also be a fundamental decision. Indeed, an adoption of the constitutional initiative would lead to a profound change in our constitutional structure, because it seeks, among other things, a new regulation of the relations between the highest state organs and thus ultimately also between the two sovereigns. We must not underestimate the danger of potentially problematic side effects of such fundamental changes to our constitutional structure. Therefore, we should also face critical questions like these in the sense of sustainable development:

- What are the effects on the political stability of our country - also with regard to the proven dualism between Prince and People, if in future not only the Landtag, but de facto also the Government is elected by the People?
- What are the effects on the predictability of politics if in future the basic direction of cooperation between Government and Parliament is no longer determined at the beginning of a legislative period by a coalition programme?
- Could the initiative proposal lead to wild Government candidacies - especially from the two major parties - and what would that mean for political stability?
- Would there be a danger of a fragmentation of the party landscape if well-known party politicians run against the nominations of their own parties or if members of the Government add another mandate period contrary to the traditional mandate period limits of their parties?

Our great political stability and continuity has been an important success factor over the past decades and a particular attractiveness as a location, especially in turbulent times. In order not to give this up lightly, we should therefore only ever make really necessary adjustments to our constitutional structure.

Dear people of Liechtenstein

Some difficult but fundamental decisions are coming up in the next few months. Let us find the right path and the right balance between courageous and determined further development on the one hand and continuity and preservation of stability on the other.

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 holiday and God's blessing.