



2016 Information Event for Ambassadors

**Speech by Prime Minister Adrian Hasler
"New Environment – New Opportunities"**

Wednesday, 15 June 2016

Your Serene Highnesses
Excellencies
Ladies and Gentlemen

It's an honour to welcome you to Triesen. I'm very pleased that all of you have joined us here today.

The Ambassador Information Day has become a tradition, serving to facilitate exchange between partners. This year again, the event is dedicated to deepening our relationships. We are grateful for the strong ties we have with all of you.

Ladies and Gentlemen

I'm sure we agree that our relationships have proven themselves many times over the years. We probably also agree that given the high tempo of our era, we have to take special care of what is tried and true. We all want to preserve what has proven its worth, and at the same time we do not want to close ourselves off to what is new.

But I would like to pose the question: Who tells us what is tried and true, what should be preserved, or what should undergo reform, adjustment, reorientation, or simply change?

Allow me to state a truism: "Change is the only constant."

I'm sure you will agree with me on that as well. We all know that constant adjustments are necessary. We always have to keep up.

There are numerous examples of businesses that rested on their laurels and didn't notice how the times were changing, how competitors were developing new solutions, and how their business models fell apart overnight.

What is true of businesses is also true of national economies. It is especially true of small States, because small States are able to defend their successful position only by occupying niches and demonstrating a certain degree of nimbleness.

Small States exhibit several special characteristics in this regard:

- They must enter into partnerships, they depend on these partnerships, and at the same time they must keep an eye on their autonomy and defend their interests.
- Small States have only little leverage. Diplomacy is the only means, because other forms of pressure are hardly available.
- The interests of individual citizens are as varied in small States as they are in large States. But citizens are much closer to the political process and policymakers, and they have a much higher influence on decision-making.

- For this reason, policymakers must gain their citizens' and voters' trust anew every day in order to bring about changes and find new paths together. Top-down decision-making is practically impossible. Change must occur through arguments and persuasion.

To win people over for new paths, firm conviction is needed. This firm conviction should not be developed behind closed doors. Instead, relevant groups should be included in the process of change already at an early stage. It is helpful if the willingness to change is as high as possible among the participants.

Does Liechtenstein have the foundation to make the necessary changes? Is there willingness to let go of old habits and to initiate something new?

I am fully convinced the answer is yes! And not without reason:

Even in my grandparents' day, Liechtenstein was still a country of farmers. Looking at photographs of our country from the mid-20th century, we almost have to rub our eyes in disbelief: comparatively few buildings, little traffic, many unpaved roads. Workhorses can be seen in everyday scenes.

Liechtenstein and its population have undergone an enormous change by now. The country's development has been incomparable. A country of farmers has turned into a financial centre, an industrial centre, a business location. High tech is at home in Liechtenstein. We embrace FinTech, innovations, the establishment of start-ups.

The foundations of this change and of Liechtenstein's success are innovation, research and development, diligence, creativity, efficiency, excellent framework conditions, international market access, liberal economic policy, a high quality of living, excellent social partnerships, political stability, and peace. I believe our attitude of openness to the world is one of this country's natural resources.

You will note that the terms I have cited as success factors for Liechtenstein are drawn from the realm of economics. This is no coincidence. More so than large States, small States – or comparatively "small national economies" – function more like businesses. Only if the "State as a business" is successful can entrepreneurs and businesses be just as successful within it.

For this reason, the development of Liechtenstein's national economy plays an extraordinarily important role. Especially when the world economy is ailing and there are many uncertainties, we must pay close attention to our economic development.

And this is exactly why I am strongly driven by the conviction that we cannot rest. Liechtenstein must be ready for innovation.

For this reason, I have established "Impulse Liechtenstein". A significant part of "Impulse Liechtenstein" is to support innovative business models. On the one hand, innovators already established in the country and the region are to be supported and promoted; on the other hand, start-ups are to be brought to Liechtenstein in a targeted way.

Many very successful industrial companies are based in Liechtenstein, operating around the world. Some of them are market leaders in their lines of business and demonstrate a high capacity for innovation. Nevertheless, it would be illusory to relocate entire industrial companies to Liechtenstein. It is much more realistic and promising to focus on the creative innovators who

put high performance and passion into creating something new. We want to invite them to do this in Liechtenstein.

Ladies and Gentlemen

I hope you can feel that I believe in our country, in its future and prosperity. I believe in the creativity and innovation of young people. I believe that Liechtenstein is a worthwhile investment, and I want to communicate that to the world.

Not long ago, the Liechtenstein financial centre faced serious attacks. The financial centre has been undergoing a process of change for a long time, a phase of transformation. New regulations, new laws, and new framework conditions have changed business. We have faced these changes, and I am optimistic that we are on the right path.

Ladies and Gentlemen

Even more so than today and significantly more so than in the past, the State in the future will have to pay very close attention to identifying entirely new paths. The State must be willing to embark on these new paths. Every step of the way, it must be willing to provide answers not only for tomorrow, but also for the day after tomorrow.

It is my personal wish that Liechtenstein continues to be seen as an innovative location. I wish that our country develops a strong attraction for creative innovators, and that they recognize the country's pioneering spirit.

Let's not complain when we have to give up old habits. Let's look forward to what lies ahead, and let's take advantage of our opportunities.

In this spirit, Ladies and Gentlemen, I would like to ask you to think of Liechtenstein as a country that has reinvented itself many times over the course of its long history and continues to follow a very successful path. Think of it as a path embarked on by about 37,000 inhabitants and about the same number of workers who earn their living and find their future in Liechtenstein.