

“THE BIGGEST PROBLEM IS THE DEBT PROBLEM” – INTERVIEW WITH H.S.H. PRINCE MICHAEL OF LIECHTENSTEIN (PART I)

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“*In fact, it is easier for governments to control the spending of people in debt than those with savings. A person with financial resources is free, while debtors are hostage to their creditors.*”

H.S.H. Prince Michael of Liechtenstein

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The rare resilience and the economic and strategic prowess of the Principality of Liechtenstein have elevated the small alpine nation to a bright example internationally in terms of prudent governance. It offers countless lessons in long-term planning, in prioritizing liberty and property rights over state dominance and its success story provides compelling proof that models based on individual rights and freedom of choice, so often dismissed as unrealistic by modern critics, can and do work. In fact, in the case of Liechtenstein, it works a lot better than most modern states. This is

why it was a great pleasure and an honor to have the opportunity to interview His Serene Highness Prince Michael of Liechtenstein and explore a variety of important issues concerning Liechtenstein, Europe and the world.

His Serene Highness Prince Michael of Liechtenstein is Executive Chairman of Industrie- und Finanzkontor Ets., a leading Liechtenstein based trust company with a tradition and expertise in the long-term and trans-generational preservation of wealth, especially family wealth. Furthermore, he is the founder and Chairman of Geopolitical Intelligence Services AG, a geopolitical consultancy company and information platform headquartered in Vaduz. In addition, Prince Michael of Liechtenstein is a board member of the Liechtenstein Institute of Professional Trustees and Fiduciaries, as well as Chairman of the liberal think tank European Center of Austrian Economics Foundation.

Claudio Grass (CG): The spirit of governance, as well as the local culture of Liechtenstein, seem to support and work in harmony with the ideas of personal freedom, independence and especially respect for private property. To what extent do you think this was influenced by the heritage and the history of your family and of past generations?

H.S.H. Prince Michael of Liechtenstein (PML): We have a very well-balanced governance system here in Liechtenstein, which results in cohesion and prosperity. It is proof that the combination of monarchy, direct democracy and the high autonomy of the municipalities works well. This combination forces all parts of government to apply credible politics. The monarchy's reputation and strength are based on the balanced family constitution and the rigidity applied by the Princely family towards its members with the effect of discipline and a high sense of responsibility. It is widely agreed that a democracy can only function on the ideals of personal freedom, independence, subsidiarity, personal responsibility and respect for private property.

CG: What about today? Do you see these values and individual rights as being under threat in recent years and how are they defended in Liechtenstein?

PML: Unfortunately, even in Western democracies, the values of freedom and independence and the respect for private property get more and more eroded. A flood of laws limits freedom of choice and regulations violate property rights. In today's European societies, many are tempted to happily exchange freedom against an illusion of security. Unfortunately, also in Liechtenstein we see such an attitude, much less pronounced but still existing. However, our systems are robust enough to protect individual freedom and property rights.

CG: The European Center for Austrian Economics Foundation (ECAEF) has played a key role in researching and promoting sound ideas and advancing arguments for self-responsibility and limited government. It can be argued, however, that the political trend seems to be headed in the opposite direction for quite some time, with some even claiming that WWI marked the end of civilization. What is your view on this and do you think we should still remain optimistic about a possible reversal towards more individual freedom?

PML: World War I might not have marked the end of civilization, but it marked the start of the phase where Europe's influence in the world and its combination of Christianity and Liberalism (a very successful model) started to decline. Liberalism, which includes values such as personal freedom and property rights, is based on Christianity. Personal responsibility is a basic factor in Christianity.

This system has played very well also for Western economy and prosperity. But Europe became very saturated. After seventy years of peace after World War II, Europe left the path of a drive to achievement and turned to a drive of self-protection, anxiety and redistribution. This saturated situation will necessarily lead into a crisis and I believe – as unfortunate as it is – that a big disruption will be necessary for a return towards more individual freedom. In case this does not happen, Europe will again fall into poverty and a loss of freedom. However, I am optimistic in the long-term, but I see quite some troubles in the near future.

CG: The last few years have seen a sharp decline in the quality of public debate in Europe and in the US, as deep divisions and political polarization has turned civilized dialogue into name-calling and shouting matches. Freedom of speech and its limits have also come under scrutiny and many attempts to curb it have backfired. How important a role do you think freedom of expression will play if we are ever to return to a higher level of public discourse?

PML: Political correctness has degenerated the public debate in Europe and the US to a high degree of mediocrity. The essence of democracy and free society is an open debate of sometimes clashing opinions. Under the term "polarization" deferring opinions are decried and ideas, which do not correspond to the accepted mediocrity, are marginalized as either radical or populist or right-winged, etc.. As a result, freedom of expression is limited.

Therefore, all of a sudden, as soon as there are differences, name-calling and shouting matches are replacing a sound public debate. In order to get to a higher level of public discourse, we have to come back to the real freedom of expression, which unfortunately is more and more limited. Sometimes polarization is a necessary ingredient of a functioning and healthy democracy.

In the upcoming second part of this interview, we look into the economic, social and political benefits of technological advances that promote decentralization and H.S.H. Prince Michael of Liechtenstein shares his outlook and views on the future of the global economy, precious metals and key geopolitical developments.

Link zum Interview: <https://newsroom.proaurum.de/the-biggest-problem-is-the-debt-problem-interview-with-h-s-h-prince-michael-of-liechtenstein-part-i/>

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