

Small States Challenges to democracy

Your country
LIECHTENSTEIN

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The quality of democracy in the country (I)

- Comparative tools and indexes – Liechtenstein included?
 - YES: Freedom House (Nations in transit)
 - NO: Polity IV
 - NO: V-dem project -> only in paper on direct democracy score
 - NO: The Economist Intelligence Unit Democracy index
 - YES: Trust in political institutions -> Surveys
 - Other tools and evidence

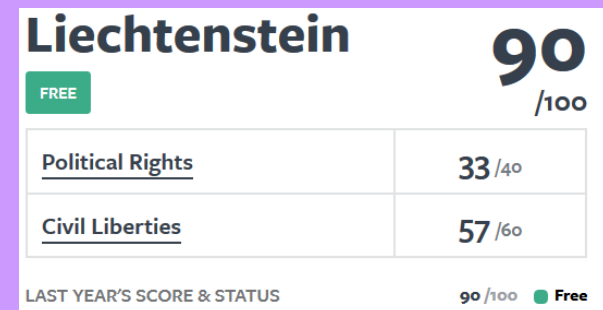
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The quality of democracy in the country (II)

- Freedom House 2020

- 2/4 points only concerning government elected through free and fair election, as the hereditary prince appoints the prime minister.
- 2/4 points only concerning whether freely elected government and parliament determine the policies of the government as the hereditary prince has significant governmental authority with no electoral mandate.

Source: freedomhouse.org



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The quality of democracy in the country (III)

- V-dem project

- Direct Democracy Practice Potential (DDPP; score 0 to 1)
- Liechtenstein among the countries with highest score

Country	DDPP	Country	DDPP	Country	DDPP
Switzerland	0.636	France	0.294	Germany	0.102
Liechtenstein	0.530	Iceland	0.217	UK	0.064
San Marino	0.454	Estonia	0.204	Cyprus	0.033
Italy	0.366	Luxembourg	0.160	Monaco	0.000
Malta	0.349	Montenegro	0.153	Andorra	---

Source: David Altman – Measuring the Potential of Direct Democracy Around the World (1900-2014). V-Dem Institute, University of Gothenburg, Dept Of Political Sciences, 2015, pp. 24-28 (v-dem.net).

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“Subjective” measures of quality of democracy (I)

- Trust in Democracy

- High trust in democracy and institutions in Liechtenstein
- Repeatedly confirmed in election and referendum surveys



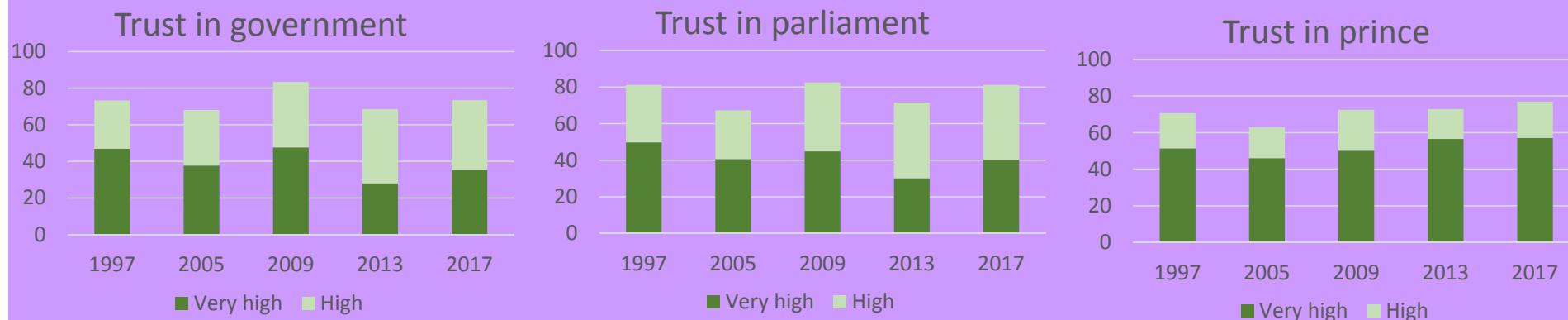
Source: Election Surveys 1997-2017. Liechtenstein Institute.

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“Subjective” measures of quality of democracy (II)

- Trust in institutions

- High trust in government, parliament and prince.
- Confirmed in election surveys (scale 0-10; very high=8-10; high=6-7).



Source: Election Surveys 1997-2017. Liechtenstein Institute.

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“Subjective” measures of quality of democracy (III)

- Is there a pattern? Who seems to be most dissatisfied?
 - Trust in government and in parliament is mainly dependent on party identification (PI)
 - PI with a party represented in the government leads to higher trust in government and parliament.
 - Trust in prince is dependent on PI and on left-right-position of voters
 - PI with Free List and Patriotic Union is associated with lower trust.
 - Left and modernist oriented persons have lower trust than right and conservatives
 - Satisfaction with democracy is also dependent on PI
 - The Independents (moderate right party) are most dissatisfied, followed by voters of the Free List (green, left party).
 - Left wing persons criticize the strong position of the prince in the political system of Liechtenstein.
 - Right wing persons criticize the political performance of the political elite and government parties.
 - Both left and right wing are rather moderate.

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Social cleavages

- What kind of political/social cleavage exist in the country?
 - No ethnic cleavages existing
 - Traditional Roman Catholic religion in Liechtenstein
 - Protestants from Switzerland and Germany
 - Since 1960s Muslims from Yugoslavia/Kosovo, Turkey etc.
 - No cleavage between cities and rural area – it is all rural
 - Rather homogeneous society with social contacts between rich and not so rich

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Mobilisation of anti-democracy sentiment

- Political cleavage between traditionalists/conservatives and modernists
- Also between monarchists and those who want to reduce the power of the prince
 - Not institutionalized, no one-issue party pro or contra monarchy or democracy existing
 - Democracy and direct democratic instruments (popular initiative, referendum) are accepted and appreciated by all parties and stakeholders
 - When it comes to a debate about the role of the monarchy in the mixed political system of Liechtenstein, the positions of the political camps – pro traditional monarchy vs. enhanced democracy – clash.
- Conflicts can be brought to a popular vote in the end which is a widely accepted form of resolution:
 - 2003: Popular vote on constitutional amendments - maintaining if not increasing the power of the prince - proposed by the prince himself (64.3% Yes, 35.7% No).
 - 2012: Popular vote on a popular initiative which aimed at reducing the veto power of the prince (23.6% Yes, 76.4% No).
 - High voter turnout: 2003=87.7%; 2012=82.9%.

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Corruption and inefficiency (I)

- Corruption and inefficiency are not a real problem in Liechtenstein; clientelism due to social and political affiliation may be a problem.
- Interesting to see the analysis of GRECO (Group of experts against corruption - Council of Europe)
 - First and second round (2011): Independence of national bodies; immunities; corruption
 - Review power of prince
 - Selection of judges
 - Whistleblower policies
 - Ethical rules and codes of conduct for public administrations etc.
 - Third round (2016): Transparency of Party Funding
 - Adequate accounting rules
 - Increase transparency of contributions by third parties
 - Publication of financial statements etc.

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Corruption and inefficiency (II)

- Transparency International does not provide data on Liechtenstein. The situation may be approx. as in neighbouring Switzerland or Austria.
- Table: Corruption Perception Index (max. 100)

Country	Co	Country	DDPP	Country	DDPP
Switzerland	85	Estonia	74	Greece	48
Luxembourg	80	France	69	Montenegro	45
Germany	80	United States	69	Andorra	---
Iceland	78	Cyprus	58	Liechtenstein	---
Austria	77	Malta	54	Monaco	---
UK	77	Italy	53	San Marino	---

Source: <https://www.transparency.org/en/>

Small States Populism

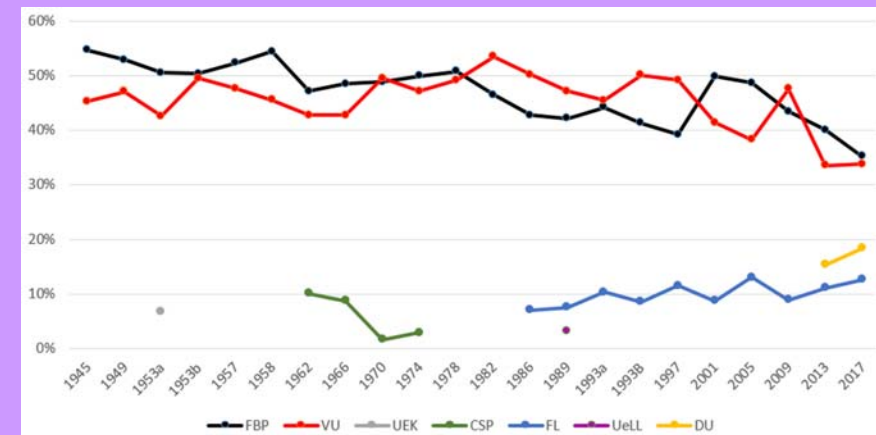
- Populism is not a real problem in Liechtenstein.
- Populism does not determine the public debate.
- There would be potential for right-wing populism in principle.
- Populist argumentation is more likely to be found in letters to the editor than in party debates.
- High levels of trust in political actors and institutions inhibit party-political populism to a certain extent.

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Extremism and extremist parties (I)

- Parties as well as society are much centre oriented
- Long tradition of coalition government of the two leading parties, both catch-all-parties
 - Progressive Citizens' Party (Fortschrittliche Bürgerpartei, FBP)
 - Patriotic Union (Vaterländische Union, VU)
- Moderate right wing parties
 - The Independents (Die Unabhängigen, DU)
 - Democrats for Liechtenstein (Demokraten pro Liechtenstein, DpL)
- Moderate left, green party
 - Free List (Freie Liste, FL)

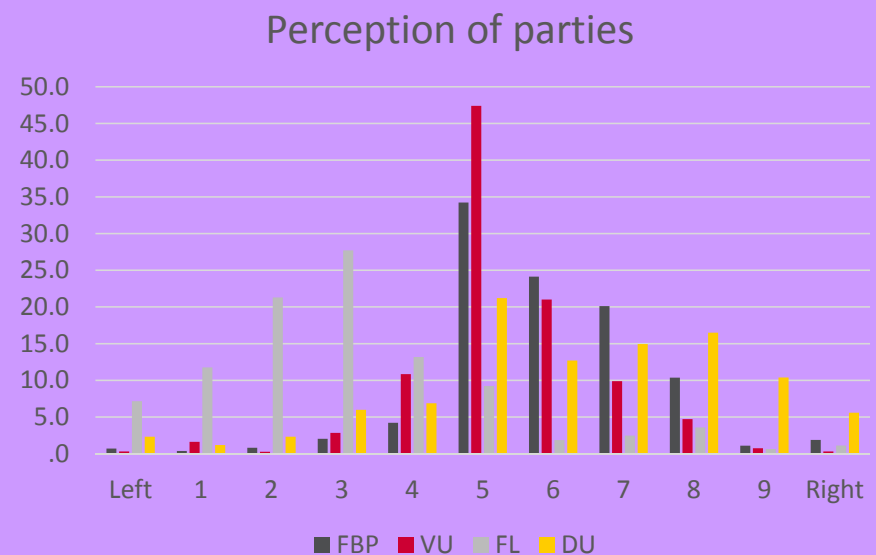
Graph: Votes in parliament elections – 1945-2017 (%)



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Extremism and extremist parties (II)

- Self-positioning on the left-right-scale (0-10) and positioning of political parties by voters (election survey 2017)



Small States Democracy and COVID-19

- Covid-19 calls for quick response, thereby strengthens the importance of the government.
- However, parliament was very much involved in key decisions and criticised government if parliament was not sufficiently integrated.
- Financial decisions to support economy and various sectors had to be approved by parliament.
- Referendums were postponed without the necessary parliamentary approval, but the fact that referendums had to be postponed for several weeks or months was not controversial.
- Some parliament decisions were declared urgent, which made sense, but consequently they were not admissible for a referendum.

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Prospects of democracy

- Liechtenstein's political system and politics in general are proving to be very stable.
- There are hardly any extreme positions to be found either in the population or in the party spectrum. Politics is strongly centrist.
- However, the dominance of the two coalition parties is declining and the party spectrum is becoming increasingly pluralistic.
- The mixed constitution with strong competences of the monarch, strongly developed direct democratic rights, and the functions of parliament and government lead to a complex system of power balance.
- The traditionally strong role of the Reigning Prince is occasionally accompanied by opposition from more democratically oriented groups, but this opposition so far has not found a majority in referendums.