

### *Summary*

riety), which is beneficial for all partners. Nevertheless, due to the comparatively loose budget restriction, Liechtenstein has not exhausted the potential for outsourcing yet, as it adheres to its own – expensive – production in some areas for political reasons. The authors have tried to give as many suggestions as possible for an improvement of the allocational efficiency in Liechtenstein, including some proposals for changes in the revenue sharing between the state and the local governments.

Based on the empirical evidence on Liechtenstein, the book concludes with 10 "lessons" for a theory of the public sector in very small countries.

JEL classification: D62, D72, H11, H5, H7, I1, I2, L33, O52, O57, R12