

press conference of the Federal Chancellor and the Prime Minister of 20 February and the subsequent media reporting. With the comment by Merkel that "we will not get harmonization of tax law" (SZ, 20.2.2008, 1), the issue of tax law at the European level is brought into the media for the first time and is subsequently discussed more intensively.

After his talks with *Prime Minister Hasler*, *Federal Minister of Finance Peer Steinbrück* adopts a similar tone: "In my view, we will ultimately have to discuss at the European level the question of how to deal with tax havens." (Dow Jones, 20.2.2008). The issue of bilateral relations and how to deal with each other in the main case were discussed directly in public for the first time after these talks, contributing – at least at the highest political level – to a more matter-of-fact tone in the tax debate and to an elevation of the discussion to the European level, as was certainly also Liechtenstein's intention. "I did not give Liechtenstein an ultimatum – I attach great importance to that – but I simply spoke politically about what would make sense." And: "With respect to mutual legal assistance, I expect cooperation."¹ (Federal Chancellor Merkel, Dow Jones, 20.2.2008). The EU Anti-Fraud Agreement, which precisely concerned the cooperation demanded by Merkel and Steinbrück, was also included in the media's list of issues after these working talks, remaining there in light of the ongoing negotiations, the content of which was concluded on 27 June 2008. The desire expressed in public by Angela Merkel on 21 February, "We wish and expect that these negotiations will also be conducted rapidly and that we reach a conclusion here as well." (Handelsblatt, 21.2.2008, 3), was thus fulfilled even more quickly than expected. It was also Federal Chancellor Merkel who brought up the comparison of Europe with the United States with respect to mutual legal assistance in tax matters: "What is possible in the US should also be possible in Europe."² (Die Welt, 21.2.2008, 1)

In an interview a few days later, *Federal Minister of the Interior Schäuble* refers directly to the working talks with *Prime Minister Hasler* on 19 February: "In principle, the Federal Government is willing to ratify the Schengen protocol by the end of the year as planned. [...] But of course Liechtenstein will have to fulfill the promises made by the Liechtenstein Prime Minister." (Handelsblatt, 29.2.2008, 6). Liechtenstein's ambassador to the EU in Brussels, Prince Nikolaus von und zu Liechtenstein, had announced in the media a few days before: "We assume that the Schengen agreement will be ratified as planned." (FTD, 21.2.2008, 10).

Additionally, numerous *interviews and background talks* took place between Liechtensteiners (representatives of the Government, Parliament, the Bankers Association, the Chief Public Prosecutor, private persons asked on the street) and representatives of the German media that were reflected in the media. These interactive processes at least entailed that the Liechtenstein positions were reflected in the media and that detailed reports on the Principality of Liechtenstein – which was largely unknown beyond its financial center – were published (e.g. FAS, 24.2., 14 "The countersigner" and 38 "My Liechtenstein"). For other reports, see Chapter 6.6.1.

¹ This refers to the granting of mutual legal assistance in cases of pure tax evasion (note by the author).

² This refers to the granting of mutual legal assistance in tax matters, which Liechtenstein agreed in a Mutual Legal Assistance Treaty with the United States in 2003. However, the tax situation governed by the Internal Revenue Service (IRS) at the federal level in the United States is not comparable to the situation in Europe, where the 27 member States of the EU have completely different tax systems (note by the author).