

# **HUMANITIES AND SOCIAL SCIENCES LATVIA**

**Volume 23, Issue 1**  
(Spring-Summer 2015)

University of Latvia

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## FROM THE EDITOR

Dear Reader,

This is the first issue for 2015 and we expect to be able to publish the next issue in autumn-winter 2015.

The authors are mainly both PhD students and established academics. The articles are a heterogeneous set and cover a number of fields in the social sciences. Of particular interest is one article, which is the result of a collaboration between a visiting scholar from the USA and final year Bachelor degree students from the University of Latvia.

We hope you enjoy this issue and are looking forward to the next issue.

Best wishes

**Viesturs Pauls Karnups**  
General Editor

# FORMATION OF THE IMAGE OF LATVIANS IN ANGLOPHONE SOURCES (16<sup>th</sup>-20<sup>th</sup> CENTURIES)

**Andrejs Veisbergs**

Dr. Habil. Philol.

## Abstract

This article reviews the portrayal of Latvia and Latvians in English sources from the beginning of the 17<sup>th</sup> century until today with a focus on the early sources. These are mainly travellers' writings, memoirs and fiction that address Latvia and Latvians as characters. While in the early works the authors focus on the territory, town and non-Latvian elite life and Latvians as the local population are often not even mentioned, later the depiction of Latvians is often quite knowledgeable and prescient. Certain continuity can be seen in characterising Latvian musical genius, the importance of women, oppression and hatred against Germans and Russians, as well as such character traits as indecision, subservience, apathy, and thieving. As a charming curiosity one can mention the obsession and divergence in estimating the height of Latvians. As fiction characters Latvians are predominantly shown as negative – destructive and dangerous individuals. The (amusing/strange/imagined) stereotype of Latvians often moves from one source to another – a perfect example of Umberto Eco's "faction". One should remember that formation of the image proceeded parallel to the formation of the Latvian identity and nation.

**Keywords:** Latvia, Latvians, identity, image, stereotype, travels, oppression, violence, culture, musical genius.

## Images and stereotypes

The notions of national identity, national images and stereotypes are multifaceted and diffuse. Most of the definitions of stereotypes emphasise the fixed and oversimplified judgment, "a fixed, overgeneralised belief about a particular group or class of people."<sup>1</sup> Thus, national stereotypes are beliefs about the characteristics of a category of people (traits, culture, habits, likes, dislikes, behavioural descriptions). Stereotypes have traditionally been viewed as resistant to change, highly consensual, and unfavourable<sup>2</sup>. The issue of whether stereotypes reflect reality is controversial. The link may be there, but "a stereotype is an exaggerated

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<sup>1</sup> M. Cardwell, *Dictionary of Psychology*. Chicago IL: Fitzroy Dearborn 1996.

<sup>2</sup> Y. H. Lee et. al eds., *Stereotype accuracy: Toward appreciating group differences*. Washington, DC: American Psychological Association 1995.

belief associated with a category.”<sup>3</sup> Other studies show a lack of correspondence of national stereotypes to aggregated personality traits<sup>4</sup>. There is also the view that stereotypes about the character of other nations are accurate, while stereotypes about their own nation are not.<sup>5</sup> A recent multinational study of the Baltic rim countries seems to testify to the latter.<sup>6</sup> National stereotypes of the “other” may emerge as a result of a direct contact between neighbouring nations or nations cohabiting in one territory. But they may emerge as a result of sporadic, occasional contact, and in some cases also without much contact altogether.

There was hardly any direct contact between Latvians and English speakers before the 20<sup>th</sup> century. The relatively few travellers mainly contacted the local rulers or elites who were not Latvian. Thus information was often intermediated, or locals were superficially observed and conclusions made. Some of them are amazingly prescient, some are casual, and some are factually mistaken (mixing of nations, places, language items). The specificity of the Latvian situation lies in the fact that the observations in time proceeded parallel to the emergence of the nation, nation-building and identity establishment in general. There is hardly any Latvian auto-stereotype before the middle of the 19<sup>th</sup> century when the National Awakening started. Thus it would be unfair to look for exact stereotypes in early observations, these are mostly floating images.

The Latvian image moves from non-existence to that of “non-Germans”, then to local boors, then Letto-Lithuanians, then Lett(e)s and finally Latvians. Images that emerge from stereotypes are often stable and decontextualized<sup>7</sup>: a single shooting incident in London at the beginning of the 20<sup>th</sup> century created an image of Latvian anarchists that stuck in the public mind. Some (wrong) facts have shown to be very stable, resistant, and frequently multiplied. A further problem is created by the term “Balt”, which initially refers to Baltic Germans/barons, but today often means Latvians, Estonians and Lithuanians. Thus some characteristics of

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<sup>3</sup> G. W. Allport, *The nature of prejudice* (25<sup>th</sup> Anniversary ed.). New York: Basic Books 1978, p. 191.

<sup>4</sup> A. Terracciano et al., “National character does not reflect mean personality trait levels in 49 cultures”. *Science*, 310, 2005, p. 96-100.

<sup>5</sup> R. W. Robins, “The nature of personality: Genes, culture, and national character”. *Science*, 310, 2005, pp. 62-63.

<sup>6</sup> A. Realo et al., “Mechanisms of the National Character Stereotype: How People in Six Neighbouring Countries of Russia Describe Themselves and the Typical Russian”. *European Journal of Personality*. 23, 2009, pp. 229-249.

<sup>7</sup> D. Moore, *Les Représentations des langues et de leur Apprentissage*, Paris: Didier 2003, p. 16.

Balts are inadvertently transferred to Latvians. Stereotypes can change<sup>8</sup>, but it may often take decades to change their content.<sup>9</sup> This accounts for the anthropological confusion: Latvians are frequently portrayed as giants or dwarfs, and both ideas reoccur. There is a similar diversity about their origin: India, S(c)lavs, Lithuanians. The 18<sup>th</sup> century image of Latvians is that of an oppressed peasant. The 19<sup>th</sup> century stereotype is that of soft, childish, docile, emotional, stealing, drinking people. In the 20<sup>th</sup> century softness and stealing have disappeared and some ruthlessness has appeared. However, from early sources until today the importance of music and poetry is highlighted. Also the prominence of women in life is accentuated. The fictional characters of the 20<sup>th</sup> century are mostly SS-men, KGB men, and men of great evil, ruthlessness and determination.

### Latvian self-image

Latvian national identity even today is very unclear and vague. Vita Matīss thinks that “a Latvian does not have his own value criteria” and it is easier.<sup>10</sup> To a large extent this can be explained by the history of the nation: it has mostly been determined by representatives of other nations with their aims, aspirations and methods. Formulations of their identity by Latvians themselves are most contradictory and broad: low self-esteem, pride in being Latvian, spite, egotism and individualism, envy, diligence, treachery, peacefulness, serenity, introvertness, reserve, quarrelsomeness, stinginess, sturdiness, singing, closeness to nature, as well as some particular activities and phenomena, like the burning of the last year’s grass, Midsummer night celebrations, song festivals, birch sap tapping, mushroom picking, storks, “white roads” (unpaved roads), theatre worship, and cemetery culture.<sup>11</sup>

A study of Latvian images and stereotypes even within the Anglophone sources comprises several dimensions: in time – from the first references until today; in space – from the point of view of representatives of Britain, USA and others. The third dimension would be the sources – travel descriptions, history books, memoirs, studies about Latvia, newspaper and media information, official and unofficial internet information and finally

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<sup>8</sup> D. Bar-Tal, “Formation and Change of Ethnic and National Stereotypes: An Integrative Model” *International Journal of Intercultural Relations*. Vol. 21. No. 4, 1997, p. 492.

<sup>9</sup> S. Madon et al., “Ethnic and national stereotypes: The Princeton trilogy revisited and revised”. *Personality and Social Psychology Bulletin*, 27, 2001, 996-1010.

<sup>10</sup> V. Matīss, “Tagad šiki būt stulbam?” *Ir*, Nr. 30, 2010, pp. 27-31.

<sup>11</sup> A. Veisbergs, “Identitāte kā eksportprece jeb Antiņš pārdošanā”. *Identitāte un atpazīstamība, valoda un tulkojums*. Ed. A. Veisbergs. Rīga: VVK 2004, pp. 14-35.

the fruit of imagination in fiction, where characters of Latvians appear occasionally. Clear generalisations and reflections on Latvians as a nation constitute a small proportion in the volume of information; usually it is individuals, specific events that form the image of Latvians.

As various sources were reviewed it must be admitted that among them one finds precise testimonies and observations, as well as unbelievable stories, banal clichés, ideological and biased half-truths. All of it together creates an information mix that could be called *faction* – a fusion of fact and fiction.<sup>12</sup> An interesting sample of *faction* could be the anthropological ideas of Latvians – in some sources they are small, like dwarfs, in others tall and enormous, which comes as a surprise to those who have absorbed the former fiction. Thinking about the effect of the information on people's understanding and perceptions (which is not the subject of this article) one can speculate on assessing the proportional effect of various types of information. Today a widespread news item can produce a far greater effect in mass perceptions as a serious, well balanced research paper or a quality book, read by hundreds. The image of Latvia and Latvians in the world is a changing one, and to a large extent shaped also by the unfinished story of these bloodlands<sup>13</sup> during the Second World War and its interpretations and revisions, as well as the extensive Russian propaganda machine<sup>14</sup>.

## Early sources

Early references to the area can be found in the accounts of the British diplomats and traders in Russia, when Tsar Ivan the Terrible sustained trade and political contact with Elizabethan England in the 16<sup>th</sup> century. Thus Sir Jerome Horsey<sup>15</sup>, a trader, diplomat and envoy mentions his 1585 journey from Moscow “to Dorp in Livonia, Perno, Wenden, Liboe, etc., and to Riga, the “capitall cittie of that province.” (210)<sup>16</sup>. Also the towns of Pilten, Mitau and Goldingen, as well as Courland are mentioned.

Karl Johann von Blomberg's description of Livonia<sup>17</sup> provides a detailed description of the history, towns, rulers, religions and army movements in Livonia, which “is divided into several Dukedoms, Governments and Provinces as Estonia, or Eastland, Lettia, or Lettland belonging to the

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<sup>12</sup> U. Eco, *Faith in Fakes: Travels in Hyperreality*. New York: Vintage Books 1998. p. 473.

<sup>13</sup> T. Snyder, *Bloodlands: Europe between Hitler and Stalin*. New York: Basic Books 2010.

<sup>14</sup> J. Rislakki, *The Case for Latvia. Disinformation Campaigns against a Small Nation*. Amsterdam: Rodopi 2008.

<sup>15</sup> E. A. Bond, *Russia at the Close of the Sixteenth Century*. London: Hakluyt Society 1856.

<sup>16</sup> Here and further to economise space the pages referred to are given in brackets.

<sup>17</sup> K. J. Blomberg, *An Account of Livonia*. Printed for Peter Buck 1701.

former (King of Sweden); Curonia or Courlandia, Semigallia, Districtus Piltensis (15-16). "Lettia, or Lettland contains the City of Riga, the capital of all Livonia, and the seat of the Governor General; a place of so great trade, that the Town is too small for the Inhabitants." (17) The author describes in detail the estuary and the port activities, as well as various persons of importance. The local peasants are characterised as oppressed serfs who are incapable of understanding reforms: "They had found by Experience, that Innovations never had brought them any good, but had always laid a more heavy Yoke upon them" (132).

Brief information on Livonia can be found in an informative dictionary<sup>18</sup> of the beginning of the 18<sup>th</sup> century. Livonia "is divided into Estonia, Samigallia, Courland and Letten. Most of Letten is subject to the Swedes. The C. of Letten are, Riga, its Cap. on the Duina". Courland is mentioned as well.

Territorial references to the area can be found also in the anonymous biography<sup>19</sup> of Charles XII. The author presumably was the famous Daniel Defoe, who as an agent for the crown had been forming negative British attitudes to Sweden and Russia. Riga deserves mention 30 times, also Mittau, Courland and Bolder and Dunamunde.

The following period is mainly covered by British travel writing. Formed in the 16<sup>th</sup> century it had its traditions and style, this mostly applied to the Grand Tour (Italy and France). The early travel writings in the Baltic region differ from what we would expect today. These reports focus on trade, military and civil management, customs systems, ports, transport, fortifications, army deployment.

In William Coxe's<sup>20</sup> 5-volume travel writings one finds a relatively detailed description of the Baltic territories and especially Riga, the role of the Daugava River (Duna, Dwina) for trade. There are interesting observations about the habits and manners of the traders, politicians and militaries. The local/native population does not draw the author's attention.

Brief notes on Mittau and Riga appear in Nugent's<sup>21</sup> volume on Germany. Riga is at the end of a route from Germany via Koenigsberg, Memel and Mittau. The latter is the "capital of the dutchy of Courland", "tolerably

<sup>18</sup> An Universal, Historical, Geographical, Chronological and Poetical Dictionary. London: J. Hartley 1703.

<sup>19</sup> *The History of the Wars of his Late Majesty Charles XII. King of Sweden.* By a Scots Gentleman in the Swedish Service. London: H. P 1720.

<sup>20</sup> W. Coxe, *Travels in Poland, Russia, Sweden, and Denmark*, vol. 3. Strand: T. Cadell, jun. and W. Davies, 1802.

<sup>21</sup> T. Nugent, *The grand tour*. Printed for S. Birt [etc.] 1749.



well built” (188). Courlanders are influenced by the Poles or Russians. “Riga is a city and port town of Livonia” (189). A decade later the second edition<sup>22</sup> has more information: Riga is now “the metropolis of Livonia. This is a large handsome sea-port town, it is exceedingly well fortified. The inhabitants speak German, but the peasants in the neighbourhood speak another dialect” (189).

Also John Mottley’s book<sup>23</sup> bears some references on Riga and *Lettia* as a geographical notion. Salmon’s<sup>24</sup> *Modern History* provides an outline of Livonia: “it is usually divided into two parts, viz. Esthonia in the north, and Letten or Letitia on the south” (607). “Livonia, having been subject to the Germans, Danes, Poles, Swedes and Muscovites in their turn, the inhabitants are a mixture of all these nations, but the Germans are most numerous, and their language generally prevails here. After war ravages there are few people and “the common people remain slaves” (607).

William Tooke<sup>25</sup>, a clergyman, who regularly visited Russia, provides a good history of the region. Latvians come under Slavonians. On the other hand they are viewed together with Esthonians, though clearly differentiating and contrasting them. Livonia is “inhabited by Lettes”, not all of it, but part: “called Lettland” (464). He notes that historically “The lettish race, to which the Lettes, Lithuanians, and Old Prussians belong was not a primitive stock” (455). “The Lettes were originally one people with the Lithuanians” (459), but though there have been various tribes in Lettland, they all “speak the Lettish language”, thus they have blended (465). Their language is an “altered dialect of Lithuanian” (457). He speculates on the origin of the name (458) and notes that “The Lettes call themselves Latweetis” (467). (This might be the first Latvian word to appear in English texts). However, the Estonian and Latvian languages “have as yet been unfolded” (488). “The Lettes, or Lettonians, a people always peaceable, industrious, hospitable, frugal, and of somewhat better disposition than the Esthonians” (466). While “In Esthonia are great many large villages”; “most of the Lettes live separate” (491). He discusses religion and the local gods/deities and notes that “Heathenism remains among Lettes and Esthonians” (519). He also notes the hatred between Estonians and Latvians and the fact they do not mix (527). He describes the vices and

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<sup>22</sup> T. Nugent, *The Grand Tour....* The Second edition. Vol. 2. London: D. Browne 1757.

<sup>23</sup> J. Mottley, *The History of the Life and Reign of the Empress Catharine*. London: W. Meadows 1744.

<sup>24</sup> T. Salmon, *Modern History: or, the Present State of all Nations*. Vol. 1. London: T. Longman 1744.

<sup>25</sup> W. Tooke, *View of the Russian Empire: During the Reign of Catharine the Second ...*, Volume 1. London: Longman 1799.

notes that crimes proceed from slavery, cheating is most usual. "They rarely rob one another" (502), but are ingenious in doing it on their masters. "Lying, cursing, and swearing are very common among them" (504). The worst problem is drinking: "Both Esthonians and Lettonians, though not without numerous exceptions, are apt to indulge in inflammatory liquors. Without beer and brandy no pleasure. Intemperance is a prevailing vice, whatever indigence and misery it may cost them. Old and young, husband and wife, are seen carousing in their families, and drunk in the krougs" (499). "A considerable part of their pleasure consists in singing and music. The former seems peculiar to the females... yet the men join in the tune as soon as the bottle has excited them to merriment. At their work in the field, at their play, the girls are always singing. The Lettonians lengthen out the last syllable to a great extent, and sing commonly in duets, one of them grunting out a sort of bass" (500) "The miserable horizontal harp, and the fiddle, which the Lettes are extremely fond of at all their festivals, was first introduced among them by the Germans" (501). He describes the dances, the favourite swings. General amusement is swimming, when drunk people get drowned (502), also baths are popular.

Sir Wraxall<sup>26</sup> taking the new Grand Tour Nordic extension (also post road) in Livonia describes fertile valleys and rich woodland. The locals do not appear, perhaps the Riga Russians, refer to the unmentioned Latvians.

John Cook<sup>27</sup> focusses on the issue of liberty and commerce. It is pointed out that "Livonia is very different from any part of Russia; the people have more liberty, but they pretend to more than their due, even so much as to distress the traveller" (589). However, "The peasants are all in a state of slavery, nor do they live so well as the Russian boors" (595). In Courland the soil seems better, there are more woods, the "people are very like the Livonians, only I imagine the peasants are no such slaves" (605).

William Thomson<sup>28</sup> praises the beauty and delights of the province. But he also sees the contrasts and tyranny, "peasants in rags" (264). He reflects: "I am in love with this paradise".... and would stay, if it were free (268). It is noted that the "The Courlanders appear to be the same people with the Livonians, both in customs and language".

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<sup>26</sup> N. W. Wraxall, *A Tour Round the Baltic thro' the Northern Countries of Europe, particularly Denmark, Sweden, Finland, Russia and Prussia; in a Series of Letters*. 4<sup>th</sup> edition. London: Luke Hansard and Sons 1807.

<sup>27</sup> J. Cook, *Voyages and Travels: Through the Russian Empire, Tartary, and Part of the Kingdom of Persia*. Edinburgh 1770.

<sup>28</sup> W. Thomson, *Letters from Scandinavia on the past and present state of the northern nations of Europe*. Vol 2. London: G. G and J. Robinson 1796.

Sir John Carr,<sup>29</sup> a rich retired lawyer, portrays Riga. The author also notes the “rich and cheerful peasantry” (276). As the present territory of Latvia is now under Russia, Latvians for a time tend to disappear from texts, or are referred to as Russians.

Wilson<sup>30</sup>, an academic Scott, entering Russia from Memel observes small fields (171) and disgusting women (172), also the ever-present swings. He notes that the scenery looks like Swedish (173). But “the children are exceedingly ragged” (176), people wear leather sandals. On reaching Mittau on the banks of the Dwina (177) (mistaken fact A.V.), he notes that the lower classes devour leeks and onions (177). Riga is a commercial city with huge exports. The college here has 36 professors and 400 students (188) (possibly mixed up with Dorpat A.V.). He travels on to Wallmar, Valk, and notes that now the fields are poorly managed (197) also the buildings get very low, desolate; children here are disguised to look like grownups.

A book by Josiah Conder<sup>31</sup> illustrates the confusion about the languages: “The Livonian is much mixed with other languages, and has been almost superseded by the Lettish or Lithuanian, a mixture of Slavonian and German, which is a vernacular in Lettland and Courland, and is purest about Mittau and Riga. The ancient Courlanders were Fins” (78-9).

In 1831 the “*Foreign Quarterly Review*” published a review of 3 collections of Latvian folk-songs compiled by Gustavus von Bergmann. The author<sup>32</sup> thanks Sir Walter Scott for the use of the volumes. He emphasises that Letts are “a simple-mannered and now existing people” (61) who consider the ancient songs and proverbs sacred. “Their sensibility and originality have been the admiration of all, who have studied the ancient language in which they are clad” (62). A brief description of the language and the region follows (a slightly naive reflection on Latvian as a mix of German and Slavic languages), or linking it to Celtic tongues (75). This is followed by many texts and their translations, supplemented by Herder’s citations about the structure of the folk songs and Latvian closeness to the nature. It is emphasised that “there is among Letts an irresistible poetic tendency, and my mother did not deny that half the language was poetry“. Even “the meanest Latvians, when in an agreeable mood, prophesied or composed verses”. “The genius of the language, the genius of the people is pastoral”. “They would be well off by remaining what they are if they found among themselves a resting place in freedom and fame”. (74).

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<sup>29</sup> J. Carr, *A Northern Summer: or, Travels round the Baltic, through Denmark, Sweden, Russia, Prussia, and Part of Germany, in the Year 1804*. Philadelphia: Robert Gray 1805.

<sup>30</sup> W. R. Wilson, *Travels in Russia*. London: Longman 1828.

<sup>31</sup> J. Conder, *The modern traveller*. Vol 17. London: James Duncan 1830.

<sup>32</sup> Art. III. *Foreign Quarterly Review*, no. 8, 1831, pp. 61-78.

In the same year a priest, professor, historian and novelist Charles Kingsley, 1819–1875, in his *“Hereward the Wake”*<sup>33</sup> describes the revolt of Anglo-Saxons against the Norman William the Conqueror. “All the chivalry of Denmark and Ireland was come; and with it all the chivalry, and the unchivalry, of the Baltic shores. – Vikings from Jomsburg and Arkona, Gottlanders from Wisby; and with them their heathen tributaries, Wends, Finns, Esthonians, Courlanders, Russians from Novgorod and the heart of Holmgard, Letts, who still offered, in the forest of Rugen, human victims to the four-headed Swantowit” (72-73). Among them are the “savages from the Baltic shore” (73); “the wild Letts” (87), “who howled and bayed” (84). The visitors are clearly separated into chivalry and unchivalry, the unchristian savages, who are callous and brutal. Reading this description we thus learn that the Latvians have emigrated from Rugen (maybe a false link with Riga) and an unheard of God (also connected with Rugen) has been attributed to the Letts.

Charles Elliot<sup>34</sup> describes Riga and Mittau. There are some speculations on the origins of the locals: “The provinces of Esthonia, Livonia, and Courland were originally occupied by Oestii. They long retained the Scythico-Celtic language that prevailed in our own country. The dialect now spoken is intelligible to neither Russians nor Germans” (418). It is noted that the locals are Lutherans, and resemble Swedes (420).

Leitch Ritchie<sup>35</sup> travelled up from Prussia, and when approaching Mittau, he observes Russian villages (! A. V.), it is observed that “At the present day, Livonia is peopled half by Letts and half by Esthonians, and the latter are said to retain much of their hostility to their German lords. The Cours are more reconciled; while the Letts are as yet hardly emerged from the indifference of apathy” (40). The “manners of the people, though these were originally distinct races, are pretty nearly the same. The Livonian peasants, however, are even more solitary than the Courlanders” (32). He describes the annual jobs of the peasants, marriages, rites and notes that “the peasants of Courland, Livonia and Esthonia are commonly said to be free” (37), but though the Swedish period “spread the advantages of civilisation among their barbarous vassals” (37), now there is confusion and the situation is pretty bad (29). He hopes “the evils of reforms” will finally bring some good and expects that in fifty years a “free and flourishing peasantry” (39) will be there. It is observed that the

<sup>33</sup> Ch. Kingsley, *Hereward the Wake; “Last of the English”*. London: Macmillan and Co 1831.

<sup>34</sup> Ch. B. Elliot, *Letters from the North of Europe or a Journal of Travels*. London: Henry Colburn and Richard Bentley 1832.

<sup>35</sup> L. Ritchie, *A Journey to St. Petersburg and Moscow through Courland and Livonia*. London: Longman, Rees, Orme, Brown, Green, and Longman 1836.

locals like the “national votki, the whiskey of Russia” (34). The author has also observed the locals sing “simple and mournful tunes” in “singularly sweet voices” (11).

One of the early Encyclopaedias<sup>36</sup> provides an informed entry on Courland (110), its history, geography and economy. “The population is of the same extraction as the Lithuanians, from whom the native Courlanders differ in no other respects than that they are more advanced in civilisation, and use as lightly varied dialect” (111).

Another volume comments on Livonia<sup>37</sup>. It mentions the locals: Letten, Lettonians who are “a well behaved, pretty industrious and cleanly race, of Slavonian origin, speaking a peculiar Slavonic dialect, and on the whole more polished in their manners than the Esthonians. They are chiefly peasants” (66).

The Baltic description of Johann Georg Kohl<sup>38</sup> is much more exhaustive. The book is a synthetic translation of the notable German edition and other similar works. It was viewed as substantial, reliable and necessary, and translated very fast; it is later referred to in other English works. The prolific and meticulous Kohl (a German from Bremen) had worked in Courland and Russia as a tutor in aristocratic families and had travelled much in the region. The Baltic region is viewed as the “German provinces” (4). December is the month of wolves: Kohl spells it in Latvian “Vilku mehnes” though he speaks on Estonia at this place (358). The locals get a thorough characterisation. He clearly differentiates between them: “The Lettes and Esthonians are two very different races, and they hate one another with all the bitter animosity of contagious nations. They never intermarry or mingle” (342). Latvians are extremely asocial and individualistic: “The social principle, the tendency to associate, and cling together, is remarkably weak in them. They have never even formed a village, much less a city or a state. Since the earliest period of which we have any record, every Lette has always brewed his own beer, and built his own house, and every family has always made its own clothes. Every household has always kept a great deal to itself, without associating much with others. It is probably on account of this repelling, and unsocial spirit, that a race, gifted with so many talents and so much natural intelligence, should have remained for hundreds of years so thoroughly insignificant and useless. They are soft-

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<sup>36</sup> *The Penny Cyclopaedia of the Society for the Diffusion of Useful Knowledge*. Vol 8. London: Charles Knight and Co 1837.

<sup>37</sup> *The Penny Cyclopaedia of the Society for the Diffusion of Useful Knowledge*. Vol. 14. London: Charles Knight and Co 1839.

<sup>38</sup> J. G. Kohl, *Russia: St. Petersburg, Moscow, Kharkoff, Riga, Odessa, the German Provinces on the Baltic, the Steppes, the Crimea, and the Interior of the Empire*. London: Chapman and Hall 1842.

hearted, timid, and fearful, child-like and childish, quiet and resigned to good and evil fortune. The spirit of trade and speculation is as deficient in the Lette as it is conspicuous in the Russian. They never wander from place to place, but cling like plants to the little spot of land, to which they belong. The poetical and dreamy tendency of their minds tends to unfit them for active independent life. Lost in the fictitious joy or sorrow of their poetry, they as easily forget their duties and wants, as they do their hardships and misfortunes" (375). "The Lettes have never shown the greatness or strength, nor shared the glory of Lithuanians, in their palmy days. They are of a softer, gentler, more timid and yielding nature, than the latter; but they are also more humane and civilised than their sterner and stronger brethren; and the Lettish peasant of the present day entertains no small contempt for the Lithuanian" (372/3). "By nature, the Lettes are soft, docile, and sensitive", "naturally clever, quick, intelligent, and inventive", but slavery poisons these traits (376). There is a "great disposition to thieving, but only petty thieving" (376/7). He also notes that Latvians are good imitators (384). Kohl notes that "the peasantry of one estate will be thievish brutal and deceitful, while those of another will be honest, civilised and faithful" (360). "It is extraordinary how attached to song and poetry the half-savage Lettes and Esthonians are" (363), the scenes of the Lettes singing are frequently repeated (356). Latvian food, folk costumes, habits and customs, rites, weddings, funerals, deities, flower decorations, fondness of bathing and riding are carefully noted. Like all peasants Latvians are extremely conservative, the saying says "our fathers always did so – why should we do otherwise" (365). "The peasantry are all more or less indolent or inactive, and therefore a dozen are required to do what with us would be the work of one" (361). "The Lettes are generally despised as effeminate and cowardly, and the Estonians as discourteous and filthy; but on the whole, the former have far more that is agreeable and lovable; and they are more generally liked" (384). Kohl points out that the Esthonians and Latvians were "reduced to complete slavery" (366), allowed to do only agriculture (366), but many have "crept into other classes of society, and procured themselves freedom, refinement, and a German surname" (366), and "it is extraordinary indeed with what ease and rapidity the pliable Esthonians and Lettes Germanise themselves. In a very short time they become in language, manner, and appearance, such thorough Germans, that it would be very difficult to know them" (366), thus there are many half-Germans. "It is too late now to exalt the dialects of the Esthonians and Lettes into civilised languages" (393). The mystery of these tribes remains unsolved: "Lonely and unconnected with any of the surrounding nations, they occupy their little nook of northern land, evidently unsimilar and unrelated to any European nation, and bear affinity

only to the tribes that inhabit the far East, at the foot of Dawalagiri, or on the shores of the Ganges" (371). "Why did this tribe wonder two thousand miles away from its birthplace?" (372).

Prichard's<sup>39</sup> study of physical aspects of various nations dwells also on Latvians. It has a chapter on "Prussian, Lithuanian, and Lettish race" (447-461) and notes that "Lettish and Lithuanian, which of all extant European dialects appear most nearly to resemble the Sanskrit" (8). A Lettish dialect is spoken in parts of Livonia, called Lettland (448). It notes the proper place of Liiv language and refers to other scientific statements. It is noted that Lettish has borrowed more from Germans, but is a stable language (453) and concludes these three forms a group distinct from Germans and Slavi (461).

Robert Sears<sup>40</sup> provides a detailed characterisation of the "German provinces – Esthonia, Livonia and Courland" (58), he mentions Esthonians, Lithuanians, Russians and Germans, and (along a portion of the coast) Lives" (67). "Until 1824, the Esthonians and Lithuanians (!!A.V.) were in a state of predial slavery; now, however, they are free, but without the right to hold real property." (67). Writing about the dangerous wolves in Estonia he again refers to the Latvian "Vilku mehnes" or "Wolf's Month" (59), which suggest Kohl's writing was copied. The locals are sometimes mixed up and he confesses: "Lettes and Lithuanians are a perpetual and puzzling enigma" (80), "The original inhabitants, the Lettes and Esthonians, are agricultural labourers, with a very few exceptions" (79-80). "The Lettes have never shown the greatness and strength, nor shared the glory of Lithuanians" (120). When describing Courland and Mittau "about half of the inhabitants belong to the primitive race of Lettes... and up to 1820 were divided into peasants and serfs" (72). Gypsies and Jews are mentioned, the latter so cunning and artful in selling spirits that they "completely ruin the poor Lettes and Esthonians" (77). When writing about the origins of the Balts, the author extensively cites Kohl.

Thomas Milner<sup>41</sup> also refers to the territories as the Germanic provinces (179). "Few parts of Europe have been more bandied about by different powers, harassed with wars for the mastery, and troubled with the sword in the name of religion" (180). Though Pastor Milner most likely never set his foot in these lands, he provides a thorough compilation by using the available and dubious sources, e.g. he dwells on sacrificing oxen, discusses the Thunderer – "their principal god". In Courland "people live in detached

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<sup>39</sup> J. C. Prichard, *Researches into the Physical History of Mankind*. 3d edition. Vol. 3. London: Sherwood, Gilbert, and Piper 1841.

<sup>40</sup> R. Sears, *An Illustrated Description of the Russian Empire*. New York: Robert Sears 1855.

<sup>41</sup> T. Milner, *The Baltic, Its Gates, Shores and Cities*. London: Longman 1854.

houses” (186). “The peasantry are Letts, in a state of practical thralldom. The Letts are a Slavonic (Slavonic A.V.) people, of a stock kindred to that of the Russians and Poles, but not identical with it (187). They are the descendants of the immigrant Lithuanians ./ essentially the same race ./ greater civilisation excepted. They have many agreeable features, are lively, good-tempered and simple-mannered, fond of pastoral life, flower garlands, and harvest homes, relishing music, and gifted with and irresistible tendency to poetry” (188). They compulsively love swings, have no literature, but short poems, proverbs and aphorisms. He refers to Bergmann’s collection and Walter Scott (189). He again notes that “The Esthonian language suddenly and exclusively take the place of the Lettish at Valk” (198). It is noted that Esthonians and Letts are the rural class. The former “strikingly differ and contrast unfavourably with them” (Letts AV) (208).

## Latvians in the 20<sup>th</sup> Century

As a result of the early mapping, the general image of Latvians in the beginning of the 20<sup>th</sup> century is still very obscure. A European geographical study by Lionel William Lyde<sup>42</sup> distinguishes between the Letto-Lithuanians and the Finnic (Esht) peoples of the Baltic provinces – both types are fair, tall, narrow-faced, and long-headed: but the former still speak an Aryan tongue – the most archaic in Europe, while the latter speak a tongue akin to the most primitive of Mongol tongues” (419). “Both have felt the civilising influence of the sea, and both are essentially non-Russian in the character and influence of their people, though in both cases great efforts have been made to Russify the area. The mystical Letto-Lithuanians appear also in other sources, e.g. in the anthropological survey of the European nations<sup>43</sup>, “The Letto-Lithuanians tend to be of a medium height, but taller where remote from Slav influence” (221)

The general ignorance is well illustrated by the biographical book of Stephen Tallents. Being the British Commissioner in the Baltic provinces in 1919 he makes a point by an anecdotal story: When France about the same time decided to send a military mission to Latvia, the appropriate department of the Ministry of War in Paris was approached for an order to draw funds for the journey from Paris to Libau. “He was confounded by the receipt of an order authorising him to draw for the purpose over a thousand yen. When he questioned the efficacy of this oriental currency

<sup>42</sup> L. W. Lyde, *The Continent of Europe*. London: Macmillan and Co. 1913.

<sup>43</sup> J. S. Huxley, A. C. Haddon, *We Europeans: A Survey of 'Racial' Problems*. London: Jonathan Cape 1935.



upon the Baltic coast, he discovered that the official, who had made out the order, had supposed Latvia to be a Japanese island. My own ignorance of the countries ahead of me was such that I doubt if I should have questioned it if Paris had sent me with its telegram a supply of yen for my travelling expenses." (267).

During the struggle for independence after World War One Latvia is in the centre of Baltic warfare, well covered by the newspapers. After the end of the battles the new state is surveyed by various British journalists, mission representatives and undercover British agents spying on Russia/Soviets.

"The Baltic and Caucasian States"<sup>44</sup> addresses the four new Nordic countries. The description of "the present Lettish state of Latvia" (76) goes together with Estonia. "The two races, inheritors of a prehistoric feud, resemble each other only in their sufferings. The Estonians are believed to be Mongols, akin to the Finns of Finland. The Letts are an Indo-Germanic race, akin to the Lithuanians. Both Estonians and Letts are usually of a smaller stature than the Russians, Swedes or Germans, tenacious, blue-eyed and dwellers in the country, but there the resemblance ends. The Lett is a European, often Scottish in type. The Lett prefers an isolated dwelling; the Estonian a village. The Estonian has preserved through ages of oppression a rich folk-lore and traces of an ancestry martial by land and sea. But his ideas have not the range of subtlety of the Lettish and he has not yet displayed in literature or commerce the same creative power" (78). It is noted that Britain "unfortunately knew the Letts chiefly through two startling crimes in London"<sup>45</sup> (109).

Mysterious Latvians and Latvia appear also in interwar British fiction. An enigmatic Baltic country is portrayed in the novel "Venusberg"<sup>46</sup> by the famous *Anthony Powell*, written in 1932. The author in his memoirs writes that by fusing together Hanseatic Tallinn with the modernist Helsinki (he had visited these cities), it has resulted in Riga, which he has never visited<sup>47</sup>. The protagonist, an English journalist, lives in a secluded isolated environment, meets the former Empire aristocrats, diplomats; there is the

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<sup>44</sup> *The Baltic and Caucasian States*. Ed. By J. Buchan. London: Hodder and Stoughton 1923.

<sup>45</sup> Here the author refers to a legendary brutal battle between the Latvian revolutionary gang with the British police in London 1910, known as the Siege of Sydney Street. Several unarmed policemen were killed. Home Secretary W. Churchill was involved in the case and it gained renown and seems to have stuck in British public memory. It is worth noting that during the London riots of 2010 BBC initially reported that "Latvian anarchists" might have been involved, a notion beyond Latvian comprehension.

<sup>46</sup> A. Powell, *Venusberg*. Harmondsworth: Penguin Books 1984.

<sup>47</sup> *To Keep the Ball Rolling: The Memoirs of Anthony Powell*. Chicago: The University of Chicago Press 2001, p. 94.

never disappearing spectre of Bolshevism, violence and political murder in the air. The activities of the locals, though described, are not commented upon.

An imaginary Latvian appears in a story “Disintegration Machine”<sup>48</sup> by Sir Arthur Conan Doyle, published in 1927. Theodore Nemor, a Latvian, residing in Hempstead, has invented a disintegration machine that can pulverize anything, but can also reassemble the object. After the sale of the weapon to the soviets, Nemor demonstrates its capabilities. Taking into account the dangers involved professor Challenger by means of a simple/peasant like ruse finishes off Nemor himself. The Latvian has “cunning yellow eyes” (532). He is a “short, thick man, with some suggestion of deformity in his body”. His large, soft face was like an underdone dumpling” (532). But from shady eyebrows upward there was a “splendid cranial arch” (532). Thus Nemor has the qualities of a “vile, crawling conspirator”, as well as elements that “might take rank with the great thinkers and philosophers of the world” (533). He talks in a soft voice with a slight foreign accent.

During the interwar period Riga is the western *listening post*, famous diplomats and spies have been there, e.g. the USSR expert George Kennan<sup>49</sup> had been in Riga twice between 1929 and 1933 learning Russian and preparing for his career in Russia. In his view Riga is a window to the East, and it boasted “a variegated and highly cosmopolitan life” (29). Riga has been visited also by the famous English writer Graham Greene<sup>50</sup>, as an agent of the British Secret Service. His portrayal of Riga is naturally exquisitely expressive. This chapter could be finished by a reference to John Gibbons book,<sup>51</sup> describing a trip in the Baltics, Poland and Finland. The author points out that there is a view that the Latvians are dwarfs (refers to Kingsley), which is not true, “those are big people, both men and women” (175).

The disasters of the mid-20<sup>th</sup> century are often described in fiction, e.g. American youth literature writer Lynne Gessner<sup>52</sup> in her novel “Edge of Darkness”. The novel starts with the Year of Terror (the First year of Soviet occupation) and focusses on Dāvids Ozols, a son of a farmer. The atmosphere is depressive, the father has already been taken away by the soviets, when interrogated by the NKVD he partly gives in. Then the Germans come as liberators, but the early enthusiasm evaporates fast, the Jewish persecutions start. When the Red Army approaches Latvia,

<sup>48</sup> A. Conan Doyle, *The Professor Challenger Stories*. London: John Murray 1952.

<sup>49</sup> G. Kennan, *Memoirs. 1925–1950*. Boston; Toronto: Little Brown and Company 1972.

<sup>50</sup> G. Greene, *Journey without Maps*. New York: The Viking Press 1936.

<sup>51</sup> J. Gibbons, *Keepers of the Baltic Gates*. London: Robert Hale 1939.

<sup>52</sup> L. Gessner, *Edge of Darkness*. New York: Walker and Company 1979.

the family leaves for Courland. The novel ends with the family sailing to Germany on a ship and while singing the people feel “there would be a sunrise again in Latvia, and they would return” (179).

William Palmer’s novel<sup>53</sup> portrays an ambiguous Baltic state. On the background of the historical events of the thirties to the eighties of the 20<sup>th</sup> century the author describes the tragic life of the main protagonist with a very Baltic name *Jacob Balthus*. Though the country is not identified and many characters have Estonian, Latvian or Lithuanian sounding names, generally a Latvian context seems to dominate. Similar to Balthus most of the people slide helplessly through the tragic years when changing powers persecute them and involve them in crimes.

The western portrayals of Latvia during the Soviet period are sketchy, fragmentary and scarce<sup>54</sup>: Latvia occasionally appears in travel writings about the USSR. Thus Laurens van der Post<sup>55</sup> in his books has a chapter on Riga: Latvia is very different from the rest of the Soviet Union, it is more prosperous, more cultural and individualistic. Observing the Russian wish to visit Latvia, purchase Latvian goods, the author makes a smart conclusion “what nations devour by conquest... does not fail to communicate something of its own nature to the conqueror and can set in motion changes that one day will appear more clearly” (324).

In fiction during this period one meets unpleasant Latvian characters: cruel, reckless and bloodthirsty. Their prototypes most likely are to be found in Baltic German literature among the bloody insurgents or in the soviet reality among the KGB or partocrats. The novel “Billion-Dollar Brain” by the bestseller writer Len Deighton<sup>56</sup> (a film followed) portrays a Texas billionaire Midwinter, of German origin from Latvia or Lithuania (32) who by means of a supercomputer and a private army organises a rebellion in Latvia in order to destroy the communist Soviet Union. “Latvia – or at least Riga – is more sophisticated than Leningrad or Moscow” (100). A KGB man explains that Latvians are vicious SS men. That is almost all that we learn about Latvians in this novel.

Latvian SS-men, Latvian SS guards (50) have been mentioned also in Frederick Forsyth’s bestseller “Odessa File”<sup>57</sup> (some details lack historical precision, as the shooting of Jews took place when there could have been no Latvian SS-men (A. V.)).

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<sup>53</sup> W. Palmer, *The Good Republic*. New York: Viking Penguin 1991.

<sup>54</sup> Apart from emigre sources in English.

<sup>55</sup> L. van der Post, *Journey into Russia*. London: The Hoggarth Press 1964.

<sup>56</sup> L. Deighton, *Billion-Dollar Brain*. London: The Companion Book Club 1966.

<sup>57</sup> F. Forsyth, *Odessa File*. New York: Viking Press 1972.

In several novels about the soviet system Latvians appear as cunning and orthodox party functionaries. In the beginning of the eighties Dennis Jones's bestseller<sup>58</sup> makes a prescient judgement that the empire stuck in Afghanistan will undergo a "perestroika" from the top down. Next to the new Party reformist leader is the Latvian sounding KGB boss Smilga, who pretends to be his ally. In fact he is preparing and enacts a state coup (like the former Latvian KGB boss Pugo who became the Minister of Interior under Gorbachev). In comparison with the Stalinist and the sclerotic dinosaurs of the Central Committee and politbureau, Smilga is cunning, resolute and very dangerous.

Kingsley Amis' anti-utopia<sup>59</sup> portrays Britain of 2020, EDR – *English Democratic Republic*, under the Russians already for 50 years. The cultural level has fallen, the scenery changed, the streets dirty, the clothing is poor, the food stodgy, the music lifeless, the manners are gone (104). Among the rulers names one comes across occasional Latvian ones: "the sergeant, a burly Latvian called Ulmanis" (67), colonel-general Alksnis (209), but the most dangerous character is Director Vanag, who is Moscow's hand of terror and management in the EDR. "When someone was recalled to Moscow and never heard of again, or when someone else met an unfortunate death", it is him "who was always brought to mind (though less often mentioned)". "Vanag was too lazy or incompetent to track down any real undesirables there might have been and ordered the occasional random murder purely as evidence of zeal" (139). He is hated and feared, perhaps he has risen so high to compensate his short stature: a meter fifty, short, he has large, clear grey eyes, he speaks in a high tenor, almost an alto, his hair is crisp sandy, cut short and parted on the right. His teeth are small and regular. He is forty-five and looks thirty-five (141). He is never seen in the company of women, he does not smoke or drink and he is a real representative of his masters.

During the Cold war Latvian or Baltic origin has been ascribed also to the enemy of James Bond. Ian Fleming's<sup>60</sup> Auric Goldfinger is a 42 year-old expatriate, who emigrated at the age of 20 in 1937 from Riga. He is 5 feet tall, has blue eyes, red hair, and has a passion for his tan. Goldfinger is clever, evil and careful.

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<sup>58</sup> D. Jones, *Russian Spring*. London: Arrow Books 1984.

<sup>59</sup> K. Amis, *Russian Hide and Seek*. Harmondsworth: Penguin Books 1981.

<sup>60</sup> I. Fleming, *Goldfinger*. London: Jonathan Cape 1959.

## Independence again.

Also after regaining independence Latvia is often linked with holocaust, e.g. the Australian writer Mark Kurzem semi-documental novel "The Mascot"<sup>61</sup> which describes a very twisted story of a Jewish boy during the Second World War who escapes death, becomes a Nazi mascot, gets involved with Nazi sympathisers and finally returns to Latvian archives trying to restore the truth, perhaps, not a very pleasant one.

A bestseller by the American journalist and political columnist William Safire<sup>62</sup> brings us into a conspiracy in the US, Russia and the newly independent Latvia. One of the main characters of the novel is a Latvian journalist Liana. Riga is portrayed as a pleasant, civilised, Western oriented city. The reader is told of soviet deportations, Russification (107), masses of colonisers that burden the new state. There are also pro-imperial circles that plan revenge. The entangled plot comes to a typically American happy end: the girl unexpectedly comes into the fortune of billions and plans to spend them for displacement of Russians who are dissatisfied to Russia and organising the most modern university in Riga (433). Among the broad spectrum of American and Russian agents and crooks, Liana is a somewhat provincial, but the only really honest and pure character. She continues the line of the strong Latvian women.

Among the post-independence studies the book "The Baltic Revolution"<sup>63</sup> stands out. Its author Anatol Lieven is a British journalist (a descendant of a Baltic baron family), one of the few Western journalists who spent considerable time in the Baltics during the transition period. His viewpoint, generally sympathetic to the Baltic movements, is sharp, ironically cool, both on the past and the present. The book occasionally contains a broader judgement of the Baltic national traits. The Baltic nations are generally viewed as "peasant peoples" (17), phlegmatic, stoical, suspicious, and individualistic (19). "The Latvians find it difficult to define themselves except by contrast with their neighbours; more emotional and mystical than the Estonians, but more cautious than the Lithuanians" (35). "The Latvians are regarded by the other Balts, and were regarded by the Baltic Germans, as an unreliable people, with a rare capacity to believe two contradictory things at the same time" (35). But Latvians are also more "urbane and easy-going, without the coarse, insecure arrogance of many Lithuanians, or the icy, edgy arrogance of many Estonians" (36).

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<sup>61</sup> M. Kurzem, *The Mascot. Unraveling the Mystery of My Jewish Father's Nazi Boyhood*. New York: Viking 2007.

<sup>62</sup> W. Safire, *Sleeper Spy*. New York: Random House 1995.

<sup>63</sup> A. Lieven, *The Baltic Revolution*. New Haven and London: Yale University Press 1993.

Latvians view Lithuanians as “arrogant and violent” (36), but they have “a sneaking admiration for the qualities of Estonians. The latter repay this with an almost automatic disdain and talk of the Latvian tendency to collaborate with conquerors, and of Latvian auxiliaries having served the Germans against the Estonians in the thirteenth century” (36). “In Baltic terms they are an indeterminate nation, neither fish nor fowl, ambling unsteadily between their two more decisive neighbours. Indecision, a certain lack of direction, has been characteristic of Latvian politics in recent years. It recalls a character in a Latvian satirical novel who comes to a crossroads ‘and after giving the matter careful consideration, goes in both directions at once’”(34). “They are apparently passive and patient but suddenly flare up into gusts of terrible violence” (35). “They like to think of themselves as dreamers with a practical streak, or practical people with a capacity to dream” (35). Lieven emphasises the importance of songs and folklore for the Baltic nations. He stresses the Baltic tendency to look backwards and attempts of building the future on the basis of past models. The book was written when the Baltic future was still very unclear, and the author seriously warns of the dangers the Russian minority could create both as regards Baltic relations with Russia and the West. Still, he hopes the Balts will surmount the issue.

National character traits appear also in the Oxford study on the brand of Latvia.<sup>64</sup> It stresses the historical ties between Latvia and Germany, sees great attraction in its “agrarian idyll” (19). “Latvians are conscientious and punctual. They are peaceful and contained. They put a lot of effort into making things pretty and orderly. They keep spaces clean and tidy.” (22) They are creative people as can be seen in their song tradition, and this quality often leads them into marketing, IT and other intellectual fields (22). “However, there is also a more phlegmatic side to their personality. On first encounters many are unsmiling. Latvians enjoy their own company and keep to themselves. This is reflected in the way they build their country houses and farms – as far apart from their neighbours as they can. It also means they are slow to meddle in the affairs of others, and that people are for the most part free to live as they choose”. (22). There is a strong matriarchal tradition in Latvia, they tend to hold much higher positions than in other countries of the world, they are more reliable and motivated (23).

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<sup>64</sup> A Brand for the Nation. Oxford: Said Business School 2003.

## **Conclusions**

Latvian territory and Latvians appear mainly in English travel writings. Initially the locals are ignored, or erroneously described, later they appear as incomprehensible locals reduced to the state of slavery. The territory is viewed as the German provinces or the West of Russian Empire. Gradually the information available grows and Latvians are portrayed more competently. When Latvia gains independence in the 20<sup>th</sup> century, the quality of description increases. Latvian independence struggles, the new elites, land reforms, trade, and international relations attract most attention.

A continuous thread characterising Latvians is the musicality, the role of women, oppression, insensitivity, phlegm and indifference, hatred against the Germans, interethnic and interclass conflicts. The tragic events of the mid-20<sup>th</sup> century have been quite well described, even if pragmatically, in the Anglophone literature. The Singing Revolution of the 1980s receives much attention and interest and support. With few exceptions Latvian characters appear in English fiction only in the 20<sup>th</sup> century. Latvian individuals are usually portrayed as crooks, ruthless communists and pro-Nazi elements. In the formation of the stereotype of Latvians it seems that the important elements have been statements coming from important people, startling events and information (even fictional and false) that has had broad dissemination.

## LATVIAN LEGAL FOLKLORE: BRIEFLY RESEARCHED. FORBIDDEN. FORGOTTEN?

**Kristīne Rotbaha**

Mg. iur., Mg. philol.

### **Abstract**

Latvian folklore materials are justifiably considered monuments of language, but they are also monuments of legal rights. Classical Latvian folklore materials provide us with the oldest information about folk law and are a kind of mirror that reflects the people's legal thought and customs. From the very large body of Latvian folklore material, we must separate out those units that could be considered sources of folk law and can therefore be called legal folklore.

Latvian legal folklore has never been fully studied and systematised. The term "legal folklore" was briefly outlined by researchers of Latvian legal history and folklore in the first half of the 20<sup>th</sup> century. Unfortunately, the occupation of the Republic of Latvia by the Soviet Union in 1940 brought the study of Latvian legal folklore to a halt. The theme was not studied again after the Nazi German occupation or the second Soviet occupation of the country. The term, deemed inappropriate to the new Soviet ideology, was no longer used in Soviet Latvia, although the legal aspect of folklore was given some, albeit little, attention; in other words, research continued in a de facto manner. Even after regaining its independence and losing ideological obstacles, significant interest in legal folklore research has not been observed. The analysis and systematisation of folklore in the context of legal archaeology remains unfinished.

This field is considerably more developed beyond Latvia's borders. A wide range of research representing the fields of folkloristics, ethnography, legal history, legal archaeology, legal sociology, legal anthropology, etc., is currently working with legal folklore materials. Various names for this field of research can be found in the literature. Opinions are divided in Europe as to which science "Legal Folklore" should belong to. Some researchers define it as the study of the history of law, while other researchers consider it a sub-branch of jurisprudence or sociology; the majority of European researchers, however, tend to consider legal ethnology to be a sub-branch of anthropology. Because there is also no united position on this matter in Latvia, any study can serve to facilitate the further research of Latvian legal folklore. The reflection of legal customs in folklore has as of yet not been studied at all. One hopes that legal folklore will eventually enter the realm of diverse research interests; researchers of history, as well as the legal and humanitarian sciences are encouraged to study it.



This article examines the role of folklore in folk law research, attempts to define what legal folklore is, and examines the theoretical approaches to and accomplishments of legal folklore research beginning with the first half of the 20<sup>th</sup> century to the present day.

**Keywords:** Latvian legal folklore, customs, folk law

## **Folklore – source of folk law**

Once, working on a study of rights of forced heir and preferential share, it was revealed that the sources of legal customs for inheritance in Latvia had not been fully studied. At the foundation of Latvian private rights research there are four sources of Latvian customary law: land or peasant rights written down in the Middle Ages; various peace, surrender and land division laws written down during the same period; narrative sources of history; and folklore. Most attention, however, was directed at the legal order reflected in written history and law sources, with very little attention paid to folklore.

In working with inheritance law adjusted to legal practice, it was revealed that often when writing a will, the testator chose to bequeath his or her life's work and savings to one person, ignoring all forced heirs. One of the reasons for this is cited as the desire to keep one's property, especially real estate, undivided, thereby ensuring succession in its management and use. Such a supposedly irrational whim is based on the bitter experience of loss that was experienced when the Soviet regime illegally and often violently took away property and caused it to become worthless. The desire to pass down the regained property, which once provided for one's prosperity and was newly tended to, as an undivided property supposedly provides a sense of peace and conviction that the family inheritance will be appreciated, used, preserved and passed down to further generations. In practice, however, it raises the issue of what this conviction is based on and what are the reasons for this love (in the sense of title or ownership) of one's father's land. This was the stimulus to search for and identify legal folklore in folk customs and folklore materials.

The Inheritance Law – second part of the Civil Law of Latvia of 1937 (henceforth, Civil Law) was re-enacting in 1992. Even though the law is relatively young, much in it has remained archaic both in terms of terminology and legal order. Customary law has been relegated to a secondary role in the Civil Law, however, we often do as popularly accepted in our mutual legal relationships, act according to the archaic legal customs of our ancestors, or, *mores paganorum*, or in other words – folk law.

Folk law history is a part of cultural history. Law is a special branch of culture, just like language, art and religion (Ābers, 1940: 466). Unfortunately,

the history of private rights is one of the disciplines in legal science that has not been studied enough in Latvia. Unjustifiably little attention has been paid to legal ethnography not only in folkloristics, but also in legal history and history in general, and only very few researchers are interested in the depth and breadth of folklore as a source of the oldest legal customs. A great variety of legal aspects can be found in classical Latvian folklore materials. Sayings and proverbs contain indications of delict and criminal offences, while folk songs and stories generally reflect the regulation of civil transactions.

In working with folklore materials as a source of national law, the issue of identity of law becomes topical. It is believed that ancient legal customs have become rooted and preserved as unwritten traditions in the Latvian consciousness over the course of thousands of years and, as times have changed, have been adapted to the needs of society. Any written norm is the reflection of some custom, not just the fruit of some fantasy. It cannot be separated from the practice that existed before or after the declaration of a norm as legal. As long as the custom has existed in society for a longer time, it becomes a legal norm; whereas, if a written norm is in force for long enough, it may (or may not) become a tradition. Considering the origin or belonging of all legal custom norms as local is just as utopian as the nationalisation of all Latvian folklore motifs. Of course, identity is the unifying element in the relationship between cultural material and the social body (Bula, 2011: 46), but we must also take into account the consequences of acculturation<sup>1</sup> and the reception of rights. Just as no man is an island, so has no nation ever been isolated from others. In studying Latvian inheritance customs in Latvian folklore, it must be concluded that Latgalian, Semigallian, Selonian, Couronian and Livonian legal traditions of Latgallians, Semigallians, Selonians, Curonians, Livs and Estonians have all intertwined, and these traditions have also influenced the legal and religious principles of neighbouring nations and invaders. Similarities between Latvian legal thought and that found in Eastern, as well as Western principles of legal customs can be found.

If a legal norm has been found in written sources and is also reflected in folklore materials, we can assume that this folklore motif originated in folklore no later than the corresponding legal norm was written down. A custom found in a folk song or some other unit of Latvian folklore has already existed in the daily life of the people for some time and is reflected

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<sup>1</sup> Acculturation is a process that takes place when people from different cultures are in contact and communication with each other for long periods of time. Changes within the individual's or group's cultures take place as the result of acculturation, because they are influenced and enriched by each other (Карбонье (Carbonnier), 1986: 199).

as a recognisable practice. Researchers who have studied folklore as a legal source put a similar hypothesis forward (see Šmits, 1923, Bičolis, 1936, Kārklīņš, 1948, Švābe, 1965, Ozols, 1993).

Customary law (called *tiesību paražas*, *paražu tiesības*, *ieradumu tiesības* and *ierašu tiesības* in various literature sources) have been preserved among the people by orally passing down, from generation to generation, the terms of customary order, which have over time taken on the significance of legal norms. Legal customs can be considered the first and oldest laws found in custom (precedent) form. It is believed that in preliterate times the old legal customs (*mores paganorum*, *alden site*), which had become rooted as unwritten traditions for hundreds of years and preserved in the people's consciousness and, as times changed, adapted to society's needs, were maintained in certain places by tribal elders (Kalniņš 1972: 23). Only in the Middle Ages did customary norms begin to be written down after the example of earlier codifications by other nations. But, even unwritten laws must be understood by society, mutually accepted and passed down from generation to generation. The precedents that best suit such a passing down of experience are those that are easily remembered and are told to others. Folklore has preserved these narratives. And yet, legal precedents aren't like the winter solstice; they do not repeat with a known regularity, although they may possess the same intensity, which has allowed them to be preserved in the collective memory. The volume of legal folklore is therefore not large.

Folk law, "like language, obtain and retain their binding normative power through uniform and long-term use and compliance, thereby becoming a determiner of mass behaviour in legal life" (Švābe, [1938]1962: 12). Of course, as with language, law and rights also develop and change. The reception of laws and rights<sup>2</sup> influences the legal customs existing in a narrower society, just as traveling stories or song motifs influence the singularity of regional folklore texts. Once written and codified, laws become positivized and become laws that are defined by lawmakers and recognised by and suited to society.

Today, in countries where laws are codified, legal customs *ex definitione* are unwritten laws that are limited by written laws. The Civil Law states: "Rights based on custom may neither set aside nor vary law. Rights based on custom are applicable in the cases specified by law" (Civil Law, 2.2.) Legal customs have been assigned a subsidiary significance in Latvia; they only supplement the law, filling any gaps in the legislation.

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<sup>2</sup> The reception of laws and rights means the borrowing and adapting of laws from another culture or time to the economic, social, cultural, etc. conditions of one's own society.

However, there are also areas in the contemporary use of law in which legal customs are used parallel with the written laws or even as a priority. This is especially apparent in the area of inheritance when there is no dispute between heirs, when there among the co-heirs are not persons under guardianship or trusteeship, or when the entirety of property of an estate does not include property that is registered in the state register and whose transfer of title from one person to another is regulated by particular order, and where written norms prevail over unwritten norms. The Civil Law even allows such an order, anticipating situations in which division of an estate may be an informal division.

In order for the division of an estate to succeed, such an order must be rooted in a generally accepted and universally known and understood tradition, the use of which should not require legal scholarship. Individual experience should be derived from collective experience. We can consider that inheritance customs has developed from socially and legally significant habits that create legal consequences.

According to the views of the historical legal school (see Horns, 1999, Jelāgins, 1999), the foundation for the existence of legal customs is only the “national spirit”; they are used only for reference. And yet, folk law is subject to lasting (*longa consuetudo*) and general actual use in a legal society; they must be general and be based on legal conviction (an opinion of law or necessity – *opinio necessitatis*). Therefore, inheritance customs are based on the people’s conviction and the legal consciousness of participants in legal relationships, insofar as this conviction is generally approved.

Because every case of the use of inheritance rights is sensitive and individual and yet fairly similar to some previous model of legal behaviour, then for the situative practice of inheritance in each individual case the status of tradition is renewed. Inheritance tradition has a significant role in society; it is an important characteristic of a culture.

The American folklore researcher Richard Bauman states that tradition is increasingly being perceived as a symbolic construction by which people in the present establish connection with a meaningful past (Bauman, 1992: 128).

Inheritance tradition, by reflecting the social and cultural motifs of its time, includes the desire to continue the past and also progress to the future; in other words, when traditions have to lose their initially clear meaning, they became in need of interpretation (Assmann, 2011)

Undoubtedly, both canonical law and the laws of other cultures have influenced the legal thought of modern humans, especially Roman law, which is at the foundation of most of the private rights codification in the Republic of Latvia. At the same time, there are also legal principles

that have remained unchanging, or almost unchanging, throughout the centuries.

The modern regulation of inheritance harks back in part to ancient sources. The first partially written inheritance customs can be found among the laws of the local lands, or so-called codices or laws of peasants of Livonia, written down by Roman Catholics, which have been preserved to the present day. Various names for these laws can be found in the literature, depending on the translation, because, as can be concluded from the texts, they originally had no names at all.<sup>3</sup>

Among legal history researchers from Latvia, Estonia and Russia (Лесмент [Lesment] 1951; Švābe, 1962; Назарова [Nazarova], 1990; Lazdiņš, 2006) the opinion dominates that the first written legal customs of local inhabitants should not be called peasants' laws because peasants had not even evolved as a social class at the time these laws were written down. The original designation of *Burrecht*, or *Bauerrecht*, in 13<sup>th</sup>-14<sup>th</sup> century Middle Low German included not only peasants, but also all members of rural society except slaves and those with a similar level of rights. Švābe writes that "the word 'peasant' (*semenicken*) is first found in old Latvian texts in 1335, and the word 'bauris' (*būr*) with the original meaning 'inhabitant' was first used in 1397. Up until that time the sources speak of 'lāudis' (*lude, hominis*); this is a shared Indo-European word meaning 'free person'" (Švābe, 1930: 35).

Laws of Curonians are thus summarised: "To all of the free Selonians, Couronians and Semigallians belong these rights, similarly to other inhabitants (Buren), who are located under the law of the same (land) lord" (Stikāne, 2001). Unfortunately, over the centuries these laws turned into peasant class laws, exchanging the ethnic-territorial principle to a class principle. Initially, these laws were in essence general laws "addressed to all rural inhabitants, insofar as the legal life of a rural or class group was

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<sup>3</sup> Laws of peasants of the Riga bishopric (laws of Latgallians): this codification of laws is believed to have taken place in the early 13<sup>th</sup> century and is presumably the oldest peasants' law codification in Livonia. Legal Customary norms of the local population were used as the foundation for this codification. It contains only a negligible number of inheritance customs. Laws of peasants of Livonia (Law of Livonians–Estonians): this codification of laws is believed to have taken place in the early 13<sup>th</sup> century, although it is considered younger than the codification of the peasants' laws of the Riga bishopric. This is indirectly indicated by the fact that this codification no longer includes blood feud laws, but does include norms regarding the punishment of sorcerers and heretics by burning. Laws of peasants of Curonians and Semigallians (laws of Curonians): this codification of laws is believed to have taken place in the mid-13<sup>th</sup> century. It is considered the youngest of the codifications of peasants' laws in the territory of present-day Latvia. Laws of Curonians were in effect in Courland (Kurzeme) and later also in Semigallia (Zemgale) and Selonia (Sēlija) (Lazdiņš, Blūzma, Osipova 1998: 20-21).

not settled by separate laws (Švābe, 1935: 7). The historian Kaspars Kļaviņš believes that the opinion that the Latvian was merely a poor peasant is “one of the most tenacious and stable myths” (Kļaviņš, 2013).

Inheritance rights were partially fixed in the peace and surrender treaties agreed to by the Couronian and Semigallian leaders with the Holy See, the Archbishop of Riga, the Order of the Brothers of the Sword and the Teutonic (Livonian) Order, as well as the Riga Town Council in the 13<sup>th</sup> century and the texts of which have been preserved to the present day (Poziņš, 1996: 75-77). Information about inheritance disputes and legal precedents can be found in local court materials.

Although indirectly (for example, regarding the family of Latgalian elder Tālibaldis (alias – Tāivaldis), we can also learn about inheritance customs from Medieval chronicles, especially the Chronicle of Henry of Livonia and the Livonian Rhymed Chronicle.

Rights changed over the centuries. The use of legal customs decreased along with the establishment of serfdom and as legal reforms took effect in Swedish Vidzeme and the Couronian Statutes took effect in the Duchy of Courland and Semigallia in the 17<sup>th</sup> century. Customs for Latgalian rural inhabitants were regulated by the verdicts of rural village meetings right up until the Civil Law took effect; these regulations were very fragmented and dissimilar (Ābers, 1940: 370). In the legal customs of Latgale we see a large influence from Russian law, which is in general characterised by the Russian folk saying *Что город, то норы, что деревня, то обычай*<sup>4</sup> (Bukovskis, 1931a: 368).

Seeing as the complete codification of legal customs has never been done in Latvia, some of the legal customs found in the folklore material are not reflected in the written law and vice versa.

All of this legal material is very important auxiliary material for trying to find legal customs in Latvian folklore; however, a connection must nevertheless be sought in the customs of neighbouring peoples, and the influence of acculturation must also be taken into account. For this, the Old Russian Law (*Русская правда* [Russkaja pravda]) collection of laws written around 1016 is a great help (Švābe, 1965: 161) as is the collection of legal customs of the nations of the Russian provinces titled *Сборникъ народныхъ юридическихъ обычаевъ* (Sbornik narodnyh juridičeskix obyčaev) that was published in 1901 by the Ethnology Section of the Russian Geographical Society and that provides information about Russian and Belarusian inheritance customs.

The consequences of acculturation left behind by the “German times”, the “Polish times”, the “Swedish times” and the “Russian Empire times”

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<sup>4</sup> What's habit in the city, custom in the village (author's translation).

can be felt in Latvian folklore, as well as in all of Latvian legal culture (Osipova, 2011). Only by familiarising oneself with these contributions can one understand the original situative use of inheritance customs and its reflection in Latvian folklore, as well as the evolution of national law, which has organically developed from the depths of the people, even though this process was autocratically interrupted in the 13<sup>th</sup> century by the invasion of foreign powers and the introduction of foreign laws.

“For if anyone, no matter who, were given the opportunity of choosing from amongst all the nations in the world the set of beliefs which he thought best, he would inevitably, after careful consideration of their relative merits, choose that of his own country. Everyone without exception believes his own native customs, and the religion he was brought up in, to be the best”, once said Herodotus (Ἡρόδοτος) (Herodotus, *The Histories*, book III, §38).

## Legal folklore

Latvian folklore materials are justifiably considered monuments of language, but they are also monuments of legal rights. Classical Latvian folklore materials provide us with the oldest and most complete information about inheritance customs. By comparing these with other sources of legal customs, we can gain an approximate idea of the inheritance customary norms that regulated the societies living in the territory of present-day Latvia a very long time ago.

There is an opinion that all of the above-mentioned legal customary sources provide information that can be attributed to the 10<sup>th</sup>-14<sup>th</sup> centuries (Lazdiņš, Blūzma, Osipova 1998: 19). Although the precise dating of folklore materials is difficult, one can nevertheless believe that “folk songs are as old as the nation itself, but their relative age in the texts that have been preserved reach back so far into the past as the age of the cultural facts that are reflected in them. Such a view allows us [...] to see in folk songs useful material for a historical retrospect [...]. The correctness of this material can also be checked with the use of possibly more precise information from other fields available to us” (Straubergs, 1952: 30). Unfortunately, there is a lack of definite sources with which to compare the historical information in folk songs in order to perform an even deeper legal archaeology.

The majority of the fragments of legal customs are found in folk songs; fewer have been preserved in beliefs, proverbs and folk sayings, which are also “included in the legal folklore materials” (Švābe, 1962: 12). Some information is found also in stories and tales.

Therefore, Latvian folklore is a type of mirror that, albeit quite foggy, nevertheless reflects the people's legal thought and customs. "We must recognize that the symbolic forms we call folklore have their primary existence in the action of people and their roots is social and cultural life. The texts we are accustomed to viewing as the raw material of oral literature are merely the deeply situated human behaviour" (Bauman, 1986: 2). The sfumato effect<sup>5</sup> remains; therefore any reconstruction of legal norms from these indirect legal sources must not become dogma, but instead retain conclusions of a hypothetical character.

From the whole of Latvian folklore materials one must separate out those units that could be considered legal customary sources. They must retain a motif that is recognisable in the present day as a codified and therefore unambiguous reflection of legal norms or a part of such. Legal aspects or the presence of terminology in folklore allows one to work with it as legal material. Unfortunately, Latvian folklore has never been classified into genres or fields. A separate body of legal folklore has never been completely identified and systematised; this alone is a large and valuable work that needs to be done.

If we assume that the concept "folklore" – the lore of the people – describes the knowledge a people has collected long ago, or, as it was originally defined in 1846 by the British antiquarian William Thoms: "Some record of a old time – some recollection of a now neglected custom – some fading legend, local tradition, or fragmentary ballad" (Thoms, 1999: 11), and one expands it to mean a society's understanding of traditions belonging to a specific culture, then, analogously, **the legal (*iure*) knowledge and experience (*lore*) of that society (*folk*), which have been established in precedent form and are passed down from generation to generation as known, unwritten conditions for factual action can be considered legal folklore (*folklore juridique*)**. As interdisciplinary studies become more topical in Latvia, it is possible to use a more contemporary variant of this term, namely *tiesību folklorā* (legal folklore), which more precisely describes the research object (folk law) of folkloristics, legal ethnology, legal history or any other discipline.

In the more narrow meaning, legal folklore can describe that body of classic folklore materials, which contains folk legal norms, legal models of behaviour or legal motifs. But legal folklore can also be the people's model for legal action in the past or the present day that conforms only to its

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<sup>5</sup> Latvian folklore researcher Janīna Kursīte has written more extensively about the sfumato effect in folklore and traditions in her book *Sfumato, nesfumato: ekspeidīciju ceļi un neceļi* (Kursīte, 2008).



own knowledge and customs or those of its ancestors, without adapting written legal norms.

The American folklore researcher Alan Dundes believes that the term “folklore” can be attributed to any group of people with some kind of uniting element, no matter what the element; what’s important is that the carriers of the tradition (folk) have created traditions (lore) that they call their own (Dundes 1965). The group does not have to be ancient or uneducated or peripheral. Just the same, the knowledge and practice of the tradition carriers do not need to be threatened or long forgotten; they can also be understandable to contemporary society. Even thoughtful and spiritually mature people can still have knowledge of legal customs and their rational use.

The focusing on the study of a specific social or ethnic group’s folklore is nothing new in folklore research, or folkloristics (*Volkskunde* in German), abroad. Folklore researcher Dace Bula indicates that nowadays, as folkloristics and ethnology merge, it is no longer possible to draw a strict boundary between the fields of studying spiritual and material culture (Bula, 2011: 58). Thus, other study objects and fields of material culture have been added to the usual textual genre study of classical folklore. Vasilijš Sinaiskis, a Russian and Latvian lawyer and researcher of legal philosophy and Latvian folklore,<sup>6</sup> believed that “[...] the basic core of the [*dainas* / folk songs] is cult-like, and therefore folk songs reveal such an alluring source not only for the study of ancient Latvian culture, but as a source in general for the study of human culture” (Sinaiskis, 1938: 127).

## Study of legal folklore in 20<sup>th</sup>-21<sup>st</sup> century Latvia

Considering that laws and rights have been little studied as a separate object in Latvian folklore, the attributing of legal characteristics to folklore can seem unusual. Researchers of Latvian legal history and folklore sketched the term “legal folklore” in in the early 1930s. Sinaiskis’ conclusion is still relevant in Latvia today, namely, that “all studies of legal folklore material still lack completeness; in addition, very little attention has yet been paid to the actual system of legal folklore” (Sinaiskis, 1931: 637).

In his work *Folk-lore juridique / Juridiskā folklorā* (Sinaiskis, 1931), Sinaiskis uses the term “*juridiskā folklorā*” (legal folklore to describe separate folklore materials as objects of special studies and also as a branch of science. This is in general characteristic of scientific thought in the first half of the 20<sup>th</sup>

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<sup>6</sup> See: Sinaiskis, V. *Sērdieņu dainas*. Rīga: Literatūra [b. g.]; Sinaiskis, V. *Latviešu senā sabiedriskā iekārta tautas dziesmu spoguļi*. Rīga: A. Gulbis, 1938; and others.

century.<sup>7</sup> Sinaiskis comes to the conclusion that Latvia ought to develop a separate branch of jurisprudence and find the more appropriate method for the study of folklore as legal material (Sinaiskis, 1931: 651).

The lawyer Juris Sūna used folklore as legal material for his studies about inheritance customs, comparing Latvian folk songs texts with Old Russian and German inheritance codices, and local legal sources (Sūna, 1923a; 1923b; [1924] 2003; 1931). At the time, Sūna was a law student and conducted his studies as a seminar paper at the University of Latvia under Prof. Sinaiskis. It can be surmised that the attention of students in the 1920s was very expertly guided towards the historical-legal study of folk songs. Sūna's studies, though quantitatively small, are quite detailed surveys of inheritance laws, separately analysing the order of inheritance for sons, daughters, widows and more distant relatives according to Latvian folk songs.

The journalist and law student Mārtiņš Sams attempted to find the sources of public law in folk songs (Sams, 1936). It must be concluded, however, that he was fairly unsuccessful. Having not seen the context and situative use for folk songs, Sams has played around with legal terminology.

V. Ķirurgs, a lawyer and the former vice-president of the Daugavpils regional court, also contributed to the study of legal material by comparing the rights of an *iegātnis* (a man who marries a woman and goes to live in her house), including inheritance, in Latvian folk songs and the collection of legal customs from Latgale's civil parishes (Ķirurgs, 1940). He concluded that at that time "Latvian folk legal customs are still preserved unchanged in Latgale, which have come down from ancient times in unchanged form and show the ancient Latvian family and the ancient Latvian order of life" (Ķirurgs, 1940). This small study provides valuable encouragement: "Latvian legal customs must be kept sacred. Legal customs must be collected and studied similarly to the way in which Latvian folk songs, folk tales and other folklore materials are collected" (Ķirurgs, 1940).

Folk sayings as a separate genre of legal folklore were studied by lawyer Aleksandra Lapsa-Rozīte (Lapsa-Rozīte, 1938a, 1938b, 1938c). Her conclusions, that anything of Latvian folk law can only be based indirectly on very scanty legal folklore materials that are difficult to date – stories, tales, folk songs, folk sayings – is justified, because without an analysis of additional historical and written legal sources the chronology problems

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<sup>7</sup> A good example of this is the First International Congress of Comparative Law held in The Hague in August, 1932, where researchers from Europe, North America and Cairo (Prof. V. Sinaiskis represented Latvia) agreed to the necessity of creating a separate branch of research for issues related to legal ethnology and juridical folklore that would unite legal historians, ethnologists, folklore researchers and legal sociologists (Grinbergs, 1932).

in folklore cannot be solved. In her work, Lapsa-Rozīte focused more on delicts and examined folk sayings containing information about inheritance customs very little.

One of the most significant legal historians of the time,<sup>8</sup> Arveds Švābe, who was also active in the fields of history and literary theory (Bula, 2014: 606) deemed proverbs, folk sayings, folk songs and “other folklore materials” that contain Latvian folk legal views and have preserved folk law to be called legal folklore, also indicating the location of such legal folklore: “Inheritance principles can in part be found also in folk song legal folklore” (Švābe, 1953: 83). Švābe also considered the study of legal folklore material to be a new kind of science, although he was sceptical about a complete analogy in the development of folklore and law: “Folk stories, tales, songs and other purely philological forms of intangible heritage do not originate and spread in step with legal customs, which is proved by, among other things, the great poverty of Latvian legal folklore compared with the [many] collections of folk songs and stories” (Švābe, 1931: 340). Švābe systematically searched for a reflection of the whole spectrum of the branches of the private rights in folk songs and came to the conclusion that inheritance and property law was not to be found separately, because inheritance and property had been synonyms for the ancient Latvians. Švābe also studied legal terminology by studying the etymology of words and searching for similarities with folk sayings in other languages, thereby concluding the coexistence of legal customs in several nations.

Responding to Švābe's conclusions, Kārlis Straubergs, a specialist in classic philology and archaeology (Bula, 2014: 605), emphasised the meaning of legal folklore in the study of folk customs. He believed that, by comparing legal folklore with written history sources, it was possible to determine the chronology of facts in folk songs. Straubergs pointed out an important aspect, namely, that precisely ethnographic studies of folk songs should be accompanied by studies of social and legal issues (Straubergs, 1960).

Unfortunately, the occupation of the Republic of Latvia by the Soviet Union in 1940 brought any further study of Latvian legal folklore to a halt, and it was not resumed during the Nazi German occupation or the second Soviet occupation of Latvia. The term was no longer used during the Soviet period in Latvia, possibly because it did not suit the new ideology. It was, however, still used by Švābe and Straubergs in exile. And what had begun in Latvia was continued de facto on folk song texts, studying the

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<sup>8</sup> In addition of being on the Law faculty, Švābe also worked in the Latvian History Section of the Department of Philology and Philosophy. He was also interested in Latvian history, cultural history and folklore (Birziņa, 1999: 173).

“original legal customs and their adaptation in the territory of Latvia” (Kalniņš, 1972: 23), according to legal historian Viktors Kalniņš. However, in Kalniņš’ studies we find merely a reflection of earlier research, and no further progress or new work in the in-depth study and systematisation of legal folklore did not follow.

Of course, it was not really possible for willing researchers to publish much during the Soviet era about the prosperity of the ancient Latvians. Any indication of Latvian property rights or analysis of inheritance customs that honoured “the father’s land” was not only politically incorrect at the time, but also dangerous. The Soviet slogan “The land belongs to the people” cut down any national-historical analysis of property transactions; the Soviet citizen could not own land himself, nor could his father have owned land, nor did Latvians have or ever have their own legal system because the whole legal system was determined and regulated by the Soviet system. Therefore, the study of legal folklore, which would confirm the existence of rights and a well-organised system of precedent, material prosperity and moral bearing did not take place during the Soviet era in Latvia.

After the restoration of independence and loss of ideological obstacles in 1990, the study of legal folklore could have begun again, but little activity was observed. Only the legal historian Jānis Lazdiņš, in supplementing his studies from the 1990s about Latvian legal sources (Lazdiņš, Blūzma, Osipova, 1998), turned his attention to one of the four sources of legal customs he had himself named, namely, Latvian folklore, in order to describe the private rights customs of the ancient Balts and Livonians up until the 13<sup>th</sup> century, “accenting the focus on such basic issues as a review of legal sources, pagan marriage traditions, kinship, inheritance rights, material goods rights and also the peculiarities of obligations law, commerce law and labour law” (Lazdiņš, 2006). Even though the study is not large, it can be considered to emphasise the most essential issues, despite the fact that some impreciseness from Sūna’s studies has remained, which were apparently not reviewed in depth.

Thinking about folklore specialisation has developed further beyond the borders of Latvia. A broad range of researchers are working with legal folklore today, researchers representing the fields of folkloristics, ethnography, legal history, legal archaeology, legal sociology, legal anthropology, etc. (see Dundes, Dundes Renteln 1995; Bula, 2011). The literature contains various descriptions for such research. In France, contemporary ethnology and sociology researchers prefer the term *etnologie juridique* to *folklore juridique*, which in their mind, is outdated. In Italy, the terms *folcloro giuridico*, *folcloristica giuridica* and *etnologia giuridica* do not differ conceptually, while in Germany the term *rechtliche Volkskunde*

(“knowledge about folk rights”, which seems the most successful of the terms) is becoming increasingly widely used. *Juridicke folclore* is used in Denmark, *etnografia prawna* in Poland and *právní lidoweda* in Czech Republic. There is no unified term in Hungary, where *jogi népraiz*” (ethnology of rights), *jogi népszokáskutatás*” (study of folk legal customs), *népi jogkutatás* (study of folk law) and *népi jogéletkutatás* (study of human legal life) are all used. In Sweden and England, the term *legal anthropology* is used in the literature (Tárkány-Szücs, 1995: 174). Even though Tárkány-Szücs also refers to the Latvian variant of this term (*juridiskā folklorā*), it is not found in the newest Latvian scientific literature. The term seems to not have yet put down roots in Latvian.

Over the course of history, contemporary civilization’s knowledge of customs in the historical context has increased both quantitatively and qualitatively. History is not an exact science; it is a humanitarian science, that is, a science that studies humankind and the human as a value in society (Osipova, 2009). Opinions in Europe are therefore divided as to which science the study of folk law should belong to. Some researchers define it as the study of legal history; others see it as comparative jurisprudence or a sub-branch of sociology, while the majority of European researchers tend to count legal ethnology as a sub-branch of anthropology (see Dundes, Dundes Renteln, 1995). Seeing as there is also no unified stance on this issue in Latvia, any study can help further the study of Latvian legal folklore. An interdisciplinary approach of legal science and folkloristics, as well as creativity is needed for such work. “He who searches sometimes errs. But only those who do nothing do not err [...]. Creativity, especially scientific, is the true path people must be on. Without creativity, people have no genuine life at all on earth” (Sinaiskis, 1931: 652). Continuing the search for the contextual existence of folkloristics as begun by Pēteris Šmits in the 1920s-1940s with his historical-ethnographic studies (Bula, 2011: 176), interest in the connection between folklore texts and folk life, methodical attempts at creativity and an interdisciplinary scientific approach to the studied material in Latvian folklore have not stopped.

In her studies towards a Master’s degree at the University of Latvia, the author of this article has chosen as her research theme Latvian folklore as a source of inheritance legal customs. The Master’s thesis examines legal thought in Latvian folk traditions and texts, examining also the theoretical positions of studying legal folklore and the situative use of legal customs. The thesis takes a deeper look at inheritance law objects – what and what amounts are included in the entirety of property of an estate, who and upon what justification may inherit real estate and other property. It is interesting to follow the order of passive inheritance and how it is reflected in folklore. It is also determined who is allowed to have legal capacity and

the capacity to act, how the co-heirs is notified and also the rights and obligations of the heirs. The study also evaluates relationships between inheritors and the division of property, and this, in essence, reveals the Latvian character, which has remained in our genes to this day.

Even though the conclusion by pre-war Latvian historian Jānis Bērziņš warned us that attempts to find a certain thing in Latvian folk songs is a “difficult, unproductive and forbidding job” (Bērziņš, 1925: 20), the desire to determine what kind of inheritance customs existed during what times – things our elders do not know about to tell us – encourage us to search out how this very important field of inheritance was regulated in folklore. It is important to know what has become tradition and has been woven into general legal regulation, what has been lost from use and also how to understand our ancient national legal culture in general.

## Conclusion

Every action in nature, as well as human life is reflected in the Latvian’s imaginative reasoning and is directed into a song, story or instruction. The understanding of the world around us thereby gains contours that are sung and narrated to the next generation, creating a united view of the world order. A drawing fades in the sunlight, events pass away like the water in a river; all we are left with is a reflection in which we can try to see the syncretism of ancient customs and folk legal thought. We can search through folklore and find similarities there with our contemporary legal behaviour. Folklore is not only a reflection of a people’s ancient life; it is also a source of legal customs, from which our national legal thought has essentially originated and which has over time been influenced by the legal customs of other peoples nearer and farther away.

The legal knowledge and experience of that society which have been established in precedent form and are passed down from generation to generation as known, unwritten conditions for factual action can be considered legal folklore.

The reflection of Latvian legal customs in folklore has been studied unjustifiably little; it is therefore hoped that legal folklore will in time become of interest to researchers in a wide range of fields. For a more detailed analysis and systematisation of legal folklore further research are needed, this can be performed by researchers of history, as well as the legal and humanitarian sciences. In addition to the analysis of classical folklore material, a new field research is needed in those civil parishes where customs have been written down previously; more importantly, field research should also be done in civil parishes where nothing has been recorded before.

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# RUSSIAN-LATVIAN LANGUAGE CONFLICT IN URBAN SETTINGS IN LATVIA

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## **Abstract**

Political and economic pressure during the Soviet times meant an asymmetrical situation in terms of the public use of the Latvian and the Russian languages in Latvia. The Russian language played a dominant role in most of the important areas of life. Since the restoration of national independence (1991), the goal of language policy has been to bring that asymmetry to an end. In this article the usage of language (Latvian and Russian) in everyday communication between Russians and Latvians has been analysed. Quantitative data are used to measure the language skills and use by the inhabitants of Latvia's largest cities (results of annual surveys 1996-2008, and survey in 2010). The qualitative analysis is based on a critical discourse analysis approach, and the main discourses on language issues in Latvia have been identified. The theoretical framework is based on the work by Peter H. Nelde and Tove Skutnabb-Kangas. According to Nelde (1997) asymmetrical situations related to language use, which are the result of external pressure, can be seen as artificially established linguistic conflicts. Skutnabb-Kangas (1994) concepts "minorized majority language" (a language which usually need protection) and "majorized minority language" (a minority language in terms of numbers, but with the power of a majority language)" are helpful in understanding the language situation in Latvia.

**Keywords:** asymmetrical language use, majority language, minority language, language choice, language conflicts

## **Introduction**

Definitions of conflict are fluid and no two conflicts are identical on earth. According to Peter H. Nelde any languages in contact have a conflict (Nelde 1997). In that sense we can talk about the Russian-Latvian language conflict in Latvia. According to Bourdieu's conceptualisation of the linguistic market (Bourdieu 1991: 45), both languages – Latvian and Russian – are competing in the linguistic market. It is most obvious for newcomers in

Latvian society who recognise the necessity to learn two languages to feel comfortable in urban settings, especially in the capital Riga, although the official state language is only one – the Latvian language. The Russian-Latvian language conflict *per se* has not witnessed violent actions, but it definitely has its roots in the tensions between the indigenous Latvian population and the Russian occupation power.

Since Latvia regained its independence on 21 August 1991, language policy in Latvia is aimed to reverse language prestige and functions (to drive the market value of the Latvian language upwards) and to bring to an end the asymmetry between the Russian and the Latvian language in Latvia. During the Soviet times the dominance of Russian in public life led to a high degree of asymmetric bilingualism as Russians were mostly monolingual, but Latvians were mostly bilingual – Latvian and Russian. The linguistic self-sufficiency of Russian language was mostly observable in the largest cities of Latvia – Riga, Daugavpils, Rēzekne, Liepāja, Ventspils, Jelgava, and Jūrmala, because the largest cities have been the most attractive places for immigration due to the extensive development of industry at different times, but especially after World War II.

At the beginning of 1990s, particularly in respect of the largest cities in Latvia one could talk about Russian as a majorized minority language (a minority language with the power of majority language), whereas Latvian as a minorized majority language (majority language in need of protection usually necessary for threatened minority languages) (Skutnabb-Kangas 1994: 178).

The authors approach in the research of the Russian-Latvian language conflict has been influenced by post-structuralist thought and critical theory, and the authors look upon language conflict as a struggle for hegemony. The qualitative data is analysed by applying the tools of critical discourse analysis as the Latvian and Russian discursive practices have been formed in the context of power relations between the two groups. The analysts of this approach strongly believe that power is realised in language and, accordingly, discourse is a field of power relations (van Dijk 1993, 2000, Fairclough 2001). In the circumstances of intensive language contact one can observe a language conflict and competition among languages in Latvia, and most significantly – between the Latvian and the Russian language. Both Latvian and Russian language communities try to defend the interests of their first language and strive for the status of their language and the possibility to use it in all areas of life.

The aim of the article is to evaluate the results of the strict state language policy in terms of the changes in language proficiency (Latvian and Russian), the usage of languages in everyday communication and the attitudes toward the Latvian language learning and speaking in the largest

cities of Latvia. Has the strict state language policy diminished the degree of asymmetric bilingualism and made the Russian language less self-sufficient during the last twenty years in Latvia? The answers are sought in the triangulation of quantitative and qualitative data, and there is no one simple answer to this question. In the following sections of article the authors provide their explanations to gradual changes in language competences and usage, as well as attitudes toward the Latvian language in the largest cities of Latvia. First of all, in order to examine the language issues in Latvia, some historical information is given.

## Historical and Political Background

Before Latvia became independent in 1918, Latvian was the vernacular language of the overwhelming majority of the rural population. Russian and German was the languages of the elite and other languages such as Polish and Lithuanian were spoken in smaller rural communities in Latvia (Marten 2010). During the interwar period (1918-1940), Latvia was an independent state with the Latvian language as the state language, at the same time minority languages enjoyed a lot of advantages, and for instance, there was primary and secondary education in seven languages.

Due to World War II and the forced displacement of people (mass deportations in territory of Latvia on 14 June 1941 and on 25 March 1949) about one third of Latvia's population was lost in 1940s (Zelče 2011). The loss of people was balanced by a massive migration to Latvia, which started from 1944. During the Soviet period, Latvia was a popular destination for migrants from other Soviet republics. Between 1944 and 1949, some 400,000 people moved to Latvia from Russia, Belarus and Ukraine. The migration to Latvia was based on replacement of local population and the extensive development of industry at that time. As a result, the percentage of ethnic Latvians decreased from 77% in 1935 to 52% in 1989, while the percentage of ethnic Russians living in Latvia increased from 9% in 1935 to 34% in 1989.

During the Soviet period, the Russian language was both *the lingua franca* of the Soviet Union and the “language of success”, providing the prospect for entry into privileged positions of power and economic security (Brass, 1991; Mac Giolla Chríost 2003: 156). The Russian language dominance was obvious in the absence of any requirement for Russians living in Latvia to learn the Latvian language. Russian was the language of intercultural communication during the Soviet times, and it has been seen as a symbol of Soviet power as well.

Since 1991, language policy in Latvia has the aim of enhancing the status and promoting the sustainable development of the Latvian language.

A certain degree of the Latvian language proficiency is demanded for acquiring citizenship, it is a criterion of professional standards, it is necessary for the highest level of education and it is a prerequisite of participation in political and social life. At the same time minority language rights have also been provided to a certain extent (Kļava 2011: 16).

The significant changes in the ethnic composition of Latvia's population during the Soviet period and the traumatic experience of the Soviet occupation has led to a stigmatisation of the Russian language as the language of the former Soviet occupying power (Marten 2010). The smaller minority languages – Ukrainian, Polish, Lithuanian and others – are not stigmatised, but the number of speakers in these languages is diminishing and comparably is very small in Latvia.

The last census data shows that 56.3% of inhabitants in Latvia use mainly Latvian at home, while 33.8% use Russian at home, but 9.9% – some other language (Population Census 2011). In general, one can talk about two main ethno-linguistic or language communities in Latvia – Latvian and Russian (Kļave 2010), although there are also other languages spoken both in private and in public space.

Latvian language policy has always met some kind of resistance among Russians in Latvia, especially during the time preceding the adoption of the Citizenship law (1994), Education law (1998) and Language law (1999). But the most vivid and widespread protest actions were organised for protection of public secondary education in Russian in 2003 and 2004. There were a number of protests by minority students and their parents, aimed against the changes, which were planned for minority education. The protests were organised mainly in the capital – Riga, but also in other large cities, for instance, in Liepāja and Ventspils (Kļave et al. 2004).

The analysis of the Russian and the Latvian language press in Latvia at the time of abovementioned events reveals that the discourses used in the Latvian and the Russian language newspapers are radically different (Zepa et al. 2006). The discourse analysis of newspapers in Latvian shows a clear orientation towards readers who are ethnic Latvians. The dominant ideological claims on ethno-linguistic issues in these newspapers can be characterised as the discourse of Latvian ethno-nationalism, which constructs ethnic Latvians to be victims of the Soviet regime. While newspapers in Russian represent the Russian language and rights defence discourse, which constructs Russians as discriminated in Latvia.

Two conflicting discourses are observable in public space up to the recent events in 2011 and 2012 when two signature collections on language issues with the aim to launch a nationwide referendum were started (Šūpule 2012).

The first signature collection was initiated by the National Association “All For Latvia!” – “For Fatherland and Freedom/LNNK”, that has won fourteen deputy seats out of 100 in the parliamentary elections in October, 2011. The signature collection was aimed to make the Latvian language as the only language of instruction in public schools. But the number of collected signatures did not reached the necessary level of at least one tenth of eligible voters or 153,232 voters and the referendum was not initiated.

The second signature collection as a reaction to the first signature collection was initiated by the non-governmental organisation „Mother Tongue”, and it was aimed to achieve the status of the Russian language as a second state language. The number of collected signatures reached the necessary level of at least one tenth of eligible voters, and there was the referendum, held on 18<sup>th</sup> February 2012 in Latvia. The referendum’s question was “Do you support the adoption of the Draft Law “Amendments to the Constitution of the Republic of Latvia” that provides for the Russian language the status of the second official language?” The turnout of referendum was 71.12%, and 24.88% or 273,347 voters said they were in favour of Russian as a second state language, but 74.8% or 821,722 voters said they were against Russian as a second state language.

The results of “the language referendum” in 2012, which aimed to achieve the status of the Russian language as a second state language, confirm that an ethno-linguistic vote was present there, and most vividly this can be illustrated by the analysis of votes in the largest cities.

For instance, there are 18% ethnic Latvians, 53% ethnic Russians and 31% other ethnicities among citizens of Daugavpils (the second biggest city in Latvia), and there was 85% in favour and 14% against Russian as a second state language in Daugavpils (See Table 1). At the same time, in Valmiera, which is an ethnic Latvian dominated city (there are 82% ethnic Latvians, 12% ethnic Russians and 6% other ethnicities among citizens of Valmiera), there were 8% in favour and 92% against Russian as a second state language. In the other large cities the proportion of those who were in favour of Russian as a second state language is fairly close to the proportion of ethnic Russians among the citizens of the particular city.

The collections of signatures and “the language referendum” provoked the radicalisation of society and the manifestation of contradictory discourses – those of Latvian ethno-nationalism and Russian language and rights defence discourse in public space. It was observed both in the mass media and among the participants of online discussions, as well as among politicians in Latvia.

This supports a conclusion made in the authors previous studies (Zepa et al. 2005, 2006) that political parties continue to engage in political

confrontation when it comes to issues of ethnic policy and language policy in particular, and they hinder public integration instead of promoting it, thus enhancing ethnic tensions in society.

The theory of language conflict (Nelde 1987, 1997) says that if a dominant group (a majority) uses language as the basis for integration of the remaining part of society (the minorities), then that is fertile ground for a political and linguistic conflict, which can develop into an ethnic conflict. In Latvia, representatives of the political elite are a chief catalyst in promoting ethnic tensions. They continue to claim that Latvian language should be the basis for integration of society and they continue to exploit the fears or concerns of the ethno-linguistic or language communities in Latvia to mobilise their supporters in elections (Šūpule 2012).

At the same time it should be stated that ethnic tensions in Latvia have no roots in social stratification of society. The analysis of the structure of ethnic stratification shows, that Latvia has a model of cross-patterned reticulation, with each ethnic group being represented in many sectors of the national economy and carrying out differing economic functions. (Zepa et al. 2005). Although there are areas in which most employees are ethnic Latvians (government, education, agriculture), there are others areas (not less prestigious) in which most employees are non-Latvians (transport, industry, construction), and there are not any significant differences in the income levels of ethnic Latvians and non-Latvians. According to Rothschild (1981), the model of cross-patterned reticulation is a situation diminishing the likelihood of an escalation of conflict.

How do these conditions influence the language use in daily communication? This is not easy to answer, because language functions have both symbolic and practical dimensions. Language serves as an important marker of identity in Latvia, but its daily use is based on practical arguments and functionality, also partly stipulated by language policy and influenced by communication habits. The aim of Latvian language policy since 1991 was to change the communication habits established during the Soviet period, and to make life without knowledge of Latvian difficult. This study is devoted to the analysis of the main discourses on language issues in Latvia and an analysis of the language proficiency and the usage of languages (Latvian and Russian) in everyday communication to see if there are any changes in the large cities of Latvia.

## **Methodological Considerations and Data Sources**

The analysis includes both quantitative and qualitative data, complementing each other. The main data sources for quantitative analysis are the results of annual surveys 1996-2008, and a survey in 2010. The

samples of the annual surveys were about 2000 respondents in whole area of Latvia. The method used was face-to face interviews at the places of residence. In all surveys multi-level stratified random sampling was applied and it ensured the representativeness of the Latvian residents of age 15-74. The results of the surveys were additionally weighted by gender, age, nationality, type of residence and region according to latest data of Central Statistical Bureau of the Republic of Latvia. Among all respondents there were about 1400 with Latvian as a first language, 450 – with Russian and about 150 – with other first language.

During the years since 1996 there have been 13 surveys of the inhabitants of Latvia. The goal of these annual surveys was to observe the results of the language policy implemented in Latvia, the changes in language skills, the usage of Latvian in society, as well as attitudes towards the Latvian language. From 1996 to 2004, surveys were conducted a one year intervals (with the exception of 1997 and 1998, when two surveys were conducted per year), however the routine changed later: the survey of 2008 was conducted after less than a year interval since the previous research (autumn of 2007), and between the survey of 2007 and the previous one there was a three year interval. As the financing for these annual surveys was stopped, to have some insight on changes of language skills and language usage another survey was used. This was a survey “National identity. NI Dimensions”, conducted by the University of Latvia, Faculty of Social Sciences. To ensure the possibility of comparing survey results the sampling method, survey method and the formulation of questions were applied as they were in the already described annual surveys, but the total sample size was only 1000 respondents. All the above mentioned surveys were used as a secondary data source for the analysis of the language proficiency and the usage of languages (Latvian and Russian) in everyday communication particularly in large cities of Latvia. The main indicator for the language proficiency is the respondents’ self-assessment of speaking in Latvian or in Russian.

The analysis of the main discourses on language issues in Latvia is based on qualitative approach, analysing focus group discussions and in-depth interviews. The data of focus group discussions is sourced from several studies held by the Baltic Institute of Social Sciences: *Opinions of National Minority Pupils and their Parents on the Latvian Language* (BSZI 2003a); *Motivation and Expectations of Latvian Society in the Framework of Latvia’s Integration into the European Union* (BSZI 2003b); *Integration of Minority Youth in the society of Latvia in the Context of the Education Reform* (Kļāve et al. 2004); *Ethnic Tolerance and Integration of the Latvian Society* (Šūpule et al. 2004); *Ethnopolitical Tension in Latvia: Looking for the Conflict Solution* (Zepa et al. 2005). The in depth-interviews were held in the frame of two



research projects: FP7-SSH project ENRI-EAST (*Interplay of European, National and Regional Identities: Nations and States along the new Eastern borders of the European Union*), the Institute for Advanced Studies, Austria, Vienna, 2008-2011; and research study *National identity and competing identities* in the frame of the State Programme *National identity*, The Advanced Social and Political Research Institute (ASPRI), University of Latvia, 2010-2013. The description of particular focus group discussions and in-depth interviews with people in Latvia has been provided in the Appendix, Tables 11 and 12.

The qualitative analysis is based on a critical discourse analysis approach, and the main discourses on language issues in Latvia have been identified. Following the perspective of critical discourse analysis we define *language discourse* as a social use of language that reveals Latvian and Russian ethnolinguistic group understanding and interpretation of language policy, choice of language and its use in daily communication, and motivation for use of a certain language (Kļave 2011). Analysing language discourse the authors use the term *discourse type*, which is defined as an analytical construction, a set of texts (statements) that have common macro structures – topics and themes. Separate discourse types form common (language) discourse order. By using the concept of discourse type the authors separate *dominating* or more common and *alternative discourses* that are untypical and uncommon interpretations and representations of experiences of language communities. In this article the authors focus mainly on dominating discourse types sharpening or smoothing language conflict in Latvian society.

The next section is devoted to the analysis of language use and proficiency in the largest cities in Latvia, and it is based on the survey data characterised above.

## Language Use and Proficiency in the Largest Cities

For centuries the largest cities of Latvia – Riga, Daugavpils, Rēzekne, Liepāja, Ventspils, Jelgava, Jūrmala – have had a high level of multilingualism. According to the data of the Office of Citizenship and Migration Affairs, currently there are 44% ethnic Latvians, 39% ethnic Russians and 17% other ethnicities (Belarusians – 4%, Ukrainians – 3%, Poles – 3%, Lithuanians – 1%) among residents of the largest cities.

### 1. Language proficiency

The regular population surveys on language issues during the years 1996-2008 shows that Latvian language proficiency among people, whose first language is Russian, has improved considerably. This is true both for the rural and the urban populations. In 1996, 8% of respondents, whose first

language was Russian and who lived in the large cities of Latvia, claimed that they spoke Latvian fluently, while in 2008 it was 36% of respondents who said so. Summing the answers “Speak fluently” and “With small difficulties can speak on any topic”, which both can be regarded as good speaking skills, we can see that in 2008, 69% of respondents, whose first language is Russian and who live in the large cities of Latvia, report good speaking skills in Latvian (32% in 1996). The percentage of people who speak no Latvian at all has dropped from 17% in 1996 to just 7% in 2008 (See Table 2).

The self-assessment of Russian proficiency among people, whose first language is Latvian and who live in the large cities of Latvia, shows that in 1996, 72% spoke Russian fluently, while in 2008 – 55%. Summing the answers good speaking skills had 91% in 1996 and 83% in 2008. The percentage of people who speak no Russian at all has increased from 1% in 1996 to 4% in 2008 (See Table 3).

This indicates that language proficiency in the large cities is still explicitly disproportional, although Latvian language proficiency among people, whose first language is Russian, has improved.

## *2. Language use*

Language use in daily communication has changed only a little and only in some areas of life. Generally, the surveys on language issues show that people, whose first language is Latvian, mainly use Latvian both at home, as well as with friends and along the urban street/in shops, while people, whose first language is Russian, use mainly Russian. If one looks at the answers of inhabitants of cities in 1996 and in 2008 or 2010, there are no significant differences in language use at home or with friends, and even in respect of language use in streets shops – about 80% of Russian speakers in the large cities of Latvia use mainly the Russian language in streets/shops (See Tables 4, 6, 7).

The significant differences between the answers in 1996 and in 2008 or 2010 can be observed only in respect of language use at work. If in 1996 people, whose first language was Russian, mostly used Russian at work, then in 2008 or in 2010, about one third use mainly Latvian. Still, two thirds use mainly Russian (66%), and we can say that Russian is still self-sufficient for about two thirds of Russian speakers in the large cities of Latvia (See Table 5).

Surprisingly, more than half of the people, whose first language is Russian, use Russian more than Latvian also in state institutions (54%), and only 14% use mainly or only Latvian and 32% use Latvian more than Russian (See Table 8).

These data illustrates quite clearly that in respect of language use in everyday communication one can talk about the partly parallel communities in the large cities of Latvia – the Latvian language community and the Russian language community. This is strongly validated also in other studies in respect of language use in mass media consumption (Šulmane and Kruks 2001a, 2001b, 2006) and entrepreneurship (Zepa et al. 2004). The survey illustrates that people, whose first language is Latvian, mainly watch Latvian TV channels (88%), while people, whose first language is Russian, mainly watch Russian TV channels (81%). (See Table 9)

Despite the facts of language use other studies show that contacts between Latvians and non-Latvians are quite extensive in Latvia (Zepa et al. 2005). The frequency of mutual contacts finds its expression not only in working relations and friendship, but also when choosing one's spouse. Ethnic intermarriages are quite widespread in Latvia. Before the regaining independence ethnic intermarriages were about 17% of the marriages annually. Since independence, this rate has even increased (Monden and Smits 2005).

## **Discourses and Attitudes Towards the Latvian and Russian Languages**

The attitudes towards speaking in Latvian among people, whose first language is the Russian and who live in the large cities of Latvia, is mostly neutral. Survey results show that 29% of Russian speakers enjoy speaking Latvian or speak Latvian gladly, 41% said that their attitude is neutral, 10% speak Latvian, but without pleasure, but 12% dislike speaking in Latvian (See Table 10).

Other surveys reveal that most Latvia's inhabitants (Latvians – 93%, Russians – 72%, others – 76%) believe that it is a must to know the State language (Zepa 2011), and the attitude towards the Latvian language among people, whose first language is Russian, is mostly instrumental – as a resource for communication or pre-requisite for certain advantages (Kļave 2011). At the same time the attitudes toward the Latvian language among ethnic Latvians is very sensitive and emotional. In the battles over national independence and even now, the Latvian language is a symbol of national identity.

All in all the qualitative data shows that over the years the language discourse has not changed significantly. Each language community has its dominating language discourse.

The Latvian language community's discourse could be described as follows: the Latvian language policy was shaped so as to strengthen the status of the Latvian language in the language hierarchy. Latvian is and

should remain the only State language in Latvia and this premise should be strengthened. According to this discourse, the Russian speaking population's criticism towards the state's language policy is unjustified since according to the law all of Latvia's residents have opportunities to learn the Latvian language. In intercultural communication Latvians mainly use Russian and explain it by historically formed language use habits in Latvia and by the Russian's weak Latvian skills. The incomplete Latvian language skills and communication problems in Latvian are one of the primary factors in promoting the conflicting attitudes between both language communities.

The main points in the Russian language community's dominating language discourse are: Latvian should be the State language in Latvia and every one living in Latvia has to know Latvian. The main objections are towards the implementation of language policy „by force”. It is evaluated as discrimination and the cause of the split between Latvian and Russian speaking population. The dominating motivation of Latvian language learning and usage is instrumental not integrative. The use of Russian instead of Latvian in every day intercultural communication is justified by Latvians' ironic and intolerant attitude towards Russians' Latvian language skills, the leading language choice paradigm to switch to Russian in intercultural communication and the linguistic self-sufficiency of the Russian language.

Deeper language discourse analysis reveals several discourse types characterising the Latvian and Russian language conflict. The discourse types sharpening the language conflict are *threatened Latvian*, *imposed Latvian*, *oppressed Russian*, *self-sufficient Russian*, *Russian as the language of international communication*, and *recognition of Russian as an official language* (Kļave 2010).

The discourse type *threatened Latvian* is in line with the concept of minorized majority language. This discourse type is characteristic for ethnic Latvians and very typically used to justify the state language policy. It reveals the collective fear of Latvians to lose significant sociolinguistic functions of Latvian, which is interpreted as a weakening of Latvian as a majority language position in the language hierarchy. The threats are seen in out group's (mostly Russians') language use habits – to use more Russian than Latvian in public space and in intercultural communication, as well as asymmetrical language knowledge among Latvians and Russians. At the same time Latvians keep a very passive position and show little initiative to change Latvian usage habits, for example, by not switching to Russian and speaking Latvian. It shows the ambivalent nature of the *threatened Latvian* discourse type – on the one hand, it reveals emotionally aggressive attitudes toward those who endanger Latvian by not speaking it, on the

other hand, it demonstrates the feeling of Latvians of subordinate position in everyday life contexts for all that institutionally and legally the Latvian language positions are safe. The arguments of this discourse type's bearers are presented from a kind of victim position. It could be explained by historically formed power relations between Latvians and Russians and the Russification policy carried out during Soviet rule.

Such discourse types as *imposed Latvian*, *oppressed Russian*, *self-sufficient Russian*, and *recognition of Russian as official language* are more characteristic of the Russian language community. The *imposed Latvian* discourse type is constructed by attitudes toward the state language policy and its implementation mechanisms, which are seen as imposing (by force!) Latvian learning and usage and instead of promoting motivation these strategies have an opposite effect appealing to resistance against legal norms and their application in practice. The linked discourse type is that of *oppressed Russian*, which contains attitudes and beliefs that Russian despite of its large usage is ignored and its usage is more and more limited by legal norms and policies in different fields, especially in education. The denial of the language policy aiming to strengthen the Latvian language sociolinguistic functions is justified by other discourse type – *self-sufficient Russian*. According to this, Russian can be used almost everywhere both in private and public space. The significant sociolinguistic functions of Russian in Latvia, as well as the large number of Russian speaking population are central arguments for assigning Russian the official language status. Both discourse types – *self-sufficient Russian* and *recognition of Russian as official language* – elucidate the phenomenon of Russian as majorized minority language.

There are also discourse types smoothing the language conflict such as *recognition of the Latvian language status* and *language knowledge resource*. The common discourse both for the Latvian and the Russian language community is that of *recognition of the Latvian language status*. Representatives of both ethno-linguistic groups in focus group discussions and in-depth interviews recognise the legal and social supremacy of the Latvian language, and acknowledge the necessity to know Latvian. At the same time these attitudes and beliefs do not exclude the desire expressed on the part of the Russian speaking population to recognise the Russian language status in Latvia by attributing state language status to this language. This kind of attitude is to be categorised as conflicting since for the most part the Latvian speaking residents do not support this view. These attitudes form an alternative (untypical) language discourse of the Latvian language community while among the Russian language community the desire to strengthen institutionally Russian language status

is more likely to be a part of dominant language discourse, which is proved not only by qualitative data, but the quantitative data as well.

The discourse type of a *language knowledge resource* is developed most broadly in relation to the characterisation of the instrumental motivation for language acquisition, namely, recognising the significance of language in guaranteeing accessibility to other social, political and economic resources. In the statements given by the respondents, the proficiency of language (without specifying Latvian, Russian, English or another language) is characterised as a condition for being able to participate in the distribution of the resources of society – for example, to get a job, citizenship, to participate in local and national elections, to get a position in public administration or to influence politics. Representatives of the Latvian language community recognise the necessity to study and speak Russian because it provides an opportunity to access economic resources, for example, to get a job of higher status and/or salary (Kļave, 2011).

## Conclusions

In respect of language use in everyday communication one can talk about the partly parallel communities in the large cities of Latvia – the Latvian language community and the Russian language community. While one cannot assert that the language communities are bearers of particular discourses, it is nonetheless possible to observe that there is a link between, for example, *recognising Russian as an official language* and the Russian language community, or between *recognising the domination of Latvian in the public sphere* and the Latvian language community.

Language discourse analysis reveals several discourse types part of which illuminate the language conflict between Latvian and Russian, mostly in terms of language recognition. However, there are at least two significant arguments to substantiate the idea that the Latvian-Russian language conflict will not be transformed in social conflict.

First, supporters of the conflicting discourses form discursive groups that are not identical to language communities, but are mixed in terms of the language and ethnic identity variables. Furthermore, the discursive groups form complex networks at the level of individuals, rather than two opposite camps. The numerosity of the discursive groups determines that the transformation of the discursive conflict into the social reality is possible only in a fragmented and dispersed way. Second, the transformation of the discursive conflict into a more general social conflict between language communities is impeded by the dispersed object of the conflict. This dispersion is confirmed by the discourse types of the *threatened Latvian language* and the *oppressed Russian language*, aimed at solidifying the

power positions of each community. In other words, the dispersion is characterised by the fact that the groups involved in the discursive conflict struggle for different goals and resources (Kļave, 2010).

In general, one still can talk about the asymmetry between Latvian and Russian language proficiency because the Latvian speakers share is still lower than the proportion of Russian speakers. At the level of every day discursive practices one can still observe that neither Latvians act accordingly to their majority status, nor neither have Russians accepted their minority status. Among Russians the belief that the Russian language deserves the official language status because there are many Russian speaking residents in Latvia is very widespread. In its turn Latvians witness situations where they feel emotionally forced or obliged to switch to Russian in intercultural communication. This is explained by the leading language choice paradigm to switch to the Russian language in intercultural communication followed by the emotional discomfort among Latvians feeling as the majority mostly by law.

## Appendices

**Table 1 Results of the 18 February 2012 referendum and resident population of Latvia by ethnicity at the beginning of 2012**

	Results of the 18 February 2012 referendum			Ethnic composition in respective territory, 2012		
	Turnout	In favour	Against	Ethnic Latvians	Ethnic Russians	Others ethnicities
LATVIA	71	25	75	60	27	13
Rīga	77	38	62	42	40	17
Daugavpils	64	85	14	18	52	31
Liepāja	74	20	80	53	32	15
Jelgava	75	25	74	56	29	16
Jūrmala	70	33	67	50	35	14
Ventspils	72	20	80	55	29	16
Rēzekne	74	60	39	44	47	9
Valmiera	84	8	92	82	12	6
Jēkabpils	72	28	72	59	28	13

Source: *The Central Election Commission of Latvia, 2012; The Office of Citizenship and Migration Affairs, 2012.*

**Table 2 Latvian language proficiency among those inhabitants of Latvia who have first language Russian. 1996, 2008, 2010. Largest cities (Rīga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala). Survey data. %**

	1996	2008	2010
How would you evaluate your knowledge of Latvian?	Russian is first language, N=316	Russian is first language, N=345	Russian is first language, N=192
Do not speak at all or almost not at all	17	7	10
Speak very little, only about the simplest things	50	24	31
With small difficulties can speak on any topic	24	33	37
Speak fluently	8	36	20
No answer	1	0	2

Source: *Baltic Institute of Social Sciences, 1996, 2008. "Valoda" – The survey on language proficiency in Latvia; Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.*



**Table 3** Russian language proficiency among those inhabitants of Latvia who have Latvian as a first language. 1996, 2008, 2010. Largest cities (Riga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala). Survey data. %

	1996	2008	2010
How would you evaluate your knowledge of Russian?	Latvian is first language, N=232	Latvian is first language, N=626	Latvian is first language, N=238
Do not speak at all or almost not at all	1	4	3
Speak very little, only about the simplest things	6	12	7
With small difficulties can speak on any topic	19	28	21
Speak fluently	72	55	65
No answer	2	1	4

Source: Baltic Institute of Social Sciences, 1996, 2008. "Valoda" – The survey on language proficiency in Latvia; Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.

**Table 4** Language use at home. 1996, 2008, 2010. Largest cities (Riga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala). Survey data. %

	1996		2008		2010	
What language do you speak at home?	Latvian is first language, N=229	Russian is first language, N=316	Latvian is first language, N=624	Russian is first language, N=344	Latvian is first language, N=191	Russian is first language, N=236
Mainly or only in Latvian	89	2	89	3	87	0
Latvian more than Russian	4	1	7	2	12	1
Russian more than Latvian	4	12	2	15	1	19
Mainly or only Russian	3	82	1	79	0	78
Mainly or only other language	0	2	0	1	0	2

Source: Baltic Institute of Social Sciences, 1996, 2008. "Valoda" – The survey on language proficiency in Latvia. Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.

**Table 5 Language use at work. 1996, 2008, 2010. Largest cities (Riga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala). Survey data. %**

	1996		2008		2010	
What language do you speak at work?	Latvian is first language, N=178	Russian is first language, N=248	Latvian is first language, N=503	Russian is first language, N=248	Latvian is first language, N=146	Russian is first language, N=169
Mainly or only in Latvian	62	6	48	4	55	5
Latvian more than Russian	24	14	42	23	34	25
Russian more than Latvian	11	33	7	40	9	43
Mainly or only Russian	3	46	1	32	2	23
Mainly or only other language	0	2	1	1	0	4

Source: Baltic Institute of Social Sciences, 1996, 2008. "Valoda" – The survey on language proficiency in Latvia. Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.

**Table 6 Language use with friends. 1996, 2008, 2010. Largest cities (Riga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala). Survey data. %**

	1996		2008		2010	
What language do you speak with friends?	Latvian is first language, N=228	Russian is first language, N=317	Latvian is first language, N=623	Russian is first language, N=343	Latvian is first language, N=192	Russian is first language, N=237
Mainly or only in Latvian	68	2	57	2	56	0
Latvian more than Russian	24	3	35	12	37	7
Russian more than Latvian	6	25	7	29	6	35
Mainly or only Russian	3	69	0	57	1	57
Mainly or only other language	0	1	0	0	0	0

Source: Baltic Institute of Social Sciences, 1996, 2008. "Valoda" – The survey on language proficiency in Latvia. Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.

**Table 7** Language use on street, in shops. 1996, 2008, 2010. Largest cities (Riga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala). Survey data. %

What language do you speak in the street, in shops?	1996		2008		2010	
	Latvian is first language, N=230	Russian is first language, N=317	Latvian is first language, N=623	Russian is first language, N=343	Latvian is first language, N=190	Russian is first language, N=238
Mainly or only in Latvian	59	3	49	7	49	3
Latvian more than Russian	35	12	44	18	47	16
Russian more than Latvian	4	43	6	40	4	42
Mainly or only Russian	3	42	1	35	0	38
Mainly or only other language	0	0	0	0	0	0

Source: Baltic Institute of Social Sciences, 1996, 2008. "Valoda" – The survey on language proficiency in Latvia. Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.

**Table 8** Language use in state offices. 2010. Survey data. %

What language do you speak in state offices?	2010 – total in Latvia		2010 – biggest cities (Riga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala)	
	Latvian is first language, N=190	Russian is first language, N=231	Latvian is first language, N=190	Russian is first language, N=231
Mainly or only in Latvian	89	17	84	14
Latvian more than Russian	10	31	16	32
Russian more than Latvian	1	26	0	28
Mainly or only Russian	0	25	0	26
Mainly or only other language	0	0	0	0

Source: Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.

**Table 9 TV watching habits. 2010. Biggest cities (Riga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala). Survey data. %**

Which TV channels do you watch more often?	Latvian is first language, N=190	Russian is first language, N=231
Mainly or only Latvian TV channels	48	2
Latvian more than Russian	40	9
Russian more than Latvian	8	60
Mainly or only Russian TV channels	1	21
Nor Latvian, nor Russian TV channels	2	5
Hard to say, no answer	1	3

Source: Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.

**Table 10 Attitudes toward speaking Latvian among those inhabitants of Latvia who have first language Russian. 2008, 2010. Biggest cities (Riga, Daugavpils, Liepāja, Ventspils, Rēzekne, Jelgava, Jūrmala). Survey data. %**

How would you evaluate your attitude toward speaking Latvian?	2008	2010
	Russian is first language, N=343	Russian is first language, N=192
I enjoy speaking Latvian, I do it very gladly	11	11
I speak Latvian gladly	19	18
My attitude towards speaking Latvian is neutral	44	41
I speak Latvian, but without any pleasure	9	10
I dislike speaking in Latvian, I do it very unwillingly	9	12
Hard to say, no answer	8	8

Source: Baltic Institute of Social Sciences, 2008. "Valoda" – The survey on language proficiency in Latvia. Faculty of Social Sciences, University of Latvia, 2010. Survey "National identity. NI Dimensions". Sample of the survey represents the general population of Latvia. Sampling method – random stratified multi-level sample.

Table 11 Characteristics of participants of focus group discussions

Year of data collection	Place of discussion	Target group	Gender and number	Age (years)	Language
2003	Riga	Latvian language community (residents of Latvia)	F – 5/M – 3	16-27	LV
2003	Madona	Latvian language community (residents of Latvia)	F – 3/M – 5	16-30	LV
2003	Riga	Russian language community (parents)	F – 6/M – 1	29-39	RU
2003	Riga	Russian language community (parents of pupils from grades 2-4, 8-9)	F – 6/M – 2	38-54	RU
2003	Daugavpils	Russian language community (parents of pupils from grades 2-4, 8-9)	F – 9/M – 0	33-57	RU
2003	Daugavpils	Russian language community (parents of pupils from grades 2-4, 8-9)	F – 9/M – 0	38-55	RU
2003	Riga	Russian language community (pupils from grades 10-12)	F – 5/M – 4	16-18	RU
2003	Riga	Russian language community (pupils from grades 10-12)	F – 4/M – 4	16-18	RU
2003	Daugavpils	Russian language community (pupils from grades 10-12)	F – 4/M – 5	16-18	RU
2004	Riga	Russian language community (parents of pupils from grades 9-12)	F – 6/M – 4	40-60	RU
2004	Riga	Russian language community (parents of pupils from grades 9-12)	F – 5/M – 0	41-53	RU
2004	Daugavpils	Russian language community (parents of pupils from grades 9-12)	F – 7/M – 1	36-48	RU
2004	Riga	Russian language community (pupils from grades 10-12)	F – 4/M – 5	16-18	RU
2004	Riga	Russian language community (pupils from grades 10-12)	F – 3/M – 4	17-19	RU
2004	Daugavpils	Russian language community (pupils from grades 10-12)	F – 4/M – 4	16-18	RU
2004	Riga	Latvian language community (residents)	F – 3/M – 4	20-38	LV
2004	Riga	Latvian language community (residents of Latvia)	F – 2/M – 6	45-73	LV
2004	Balvi	Latvian language community (residents of Latvia)	F – 6/M – 5	21-67	LV
2005	Riga	Latvian language community (residents of Latvia)	F – 4/M – 4	18-28	LV
2005	Riga	Latvian language community (residents of Latvia)	F – 3/M – 4	32-62	LV
2005	Riga	Russian language community (residents of Latvia)	F – 3/M – 4	21-28	RU
2005	Riga	Russian language community (residents of Latvia)	F – 4/M – 4	35-69	RU

Abbreviations: F – female, M – male, LV – Latvian, RU – Russian.

Table 12 Characteristics of respondents of in depth-interviews

Year of data collection	Place of living	Gender	Age group (years)	Language
2010	Rēzekne	M	65 +	RU
2010	Rēzekne	M	35-50	RU
2010	Rēzekne	F	65+	RU
2010	Rēzekne	F	16-22	RU
2010	Daugavpils	F	35-50	RU
2010	Daugavpils	M	16-22	RU
2010	Rīga	F	35-50	RU
2010	Rīga	M	35-50	RU
2010	Rīga	M	65+	RU
2010	Rīga	F	65+	RU
2010	Rīga	F	16-22	RU
2010	Rīga	M	16-22	RU
2012	Rīga	M	16-22	LV
2012	Rīga	M	35-50	LV
2012	Rīga	M	65+	LV
2012	Rīga	F	16-22	LV
2012	Rīga	F	35-50	LV
2012	Rīga	F	65+	LV
2012	Rēzekne	M	16-22	LV
2012	Rēzekne	F	35-50	LV
2012	Rēzekne	F	65+	LV

Abbreviations: F – female, M – male, LV – Latvian, RU – Russian.

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# DYNAMICS OF ETHNIC STRUCTURES IN THE BALTIC STATES

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## Abstract

The aim of this article is to present changes in the three Baltic States (Estonia, Latvia and Lithuania) and to analyse the demographic developments of the titular ethnicities and ethnic minorities. In all censuses carried out in the Baltics, including the 2000-2001 and 2011 censuses, respondents were asked to name their ethnic identity. This gave basic information for study of ethnic composition and the characteristics of ethnic Estonians, Latvians and Lithuanians and other ethnic groups living in the Baltics. The article reports from study of ethnic developments since the regained political independence in the beginning of the 1990s and more detailed in the last decade. A sudden reversal of migration and natural reproduction processes changed the population proportion of titular ethnicities, Slavs and other minorities. In the 1990s and the beginning of this century the total number of population of ethnic Estonians, Latvians and Lithuanians has decreased; however, the proportion of titular ethnicities has increased. The Baltic States have one of the highest population loss indicators in the world. The excess of deaths over births has been since 1991, and emigration is strongly prevailing in international migration processes, particularly among minorities. However, even now minorities constitute one- fourth of the total in the Baltic population (in Latvia 38%, in the capital city Riga 54%). The age structure of minorities is relatively older than the structure of the titular ethnicities. The largest minorities by size are Russians, Poles (the greater majority of them reside in Lithuania), Belarussians and Ukrainians.

**Keywords:** ethnic structure, titular ethnicity, minority, depopulation, Baltic States

## Introduction

The purpose of this article is to present changes in the three Baltic States and to analyse the population change of the titular ethnicities (ethnic Estonians, Latvians and Lithuanians) and largest ethnic minorities. Although each of the Baltic States has had a different history, they have experienced a broadly similar fate from the 18<sup>th</sup> century when they were absorbed into the Russian empire. These countries were politically

independent only for two decades in the 1920s and 1930s and have regained political independence since beginning of the 1990s.

The Baltic States have historically formed traditions in the field of analysis of ethno-demographic development (especially in Estonia and Latvia). As a result, there is information about the ethnic structure in these countries for a longer period.

The dynamics of the population numbers and ethnic structures in every country during the Soviet and independent periods are indicated in Table 1. During the Soviet period the proportions of the titular ethnicities had a tendency to decrease in Latvia and Estonia. In Lithuania, the fertility and natural increase rates of Lithuanians were comparatively high, and the immigration of Slavs did not cause obvious changes in their ratios. However, starting with beginning of the 1990s the population of Estonians, Latvians and Lithuanians decreased slightly, but the population of non-titular ethnicities dropped sharply. Thus, the proportion of ethnic minorities had systematically decreased as a result of natural movement, emigration and assimilation. The calculation of special ethnic diversity indexes shows that during the period of independence every Baltic State has become ethnically less diverse. Still, Latvia has one of the most diverse ethnic compositions in Europe (index 0.54 in 1959, 0.61 in 1989 and 0.54 in 2011)<sup>1</sup>. In Lithuania where the proportion of Lithuanians exceeds 80% the value of the index fluctuates around 0.35.

The collapse of the Soviet Union and the regaining of political independence in Estonia, Latvia and Lithuania cardinally changed social and economic conditions, the directions and intensity of migration and natural movement of population. The Baltic States from countries of immigration became countries of emigration. During the Soviet period the three Baltic republics were ahead of other European countries concerning high relative net migration. The main migration inflows which were characteristic to the Soviet period turned into main outflows. The level of emigration and repatriation reached a peak in 1992, when the former Soviet military forces and their family members left the Baltic region. After accession to the EU in 2004, emigration from the Baltics increased even more substantially, especially when an economic decline began in 2008-2010.

Another distinctive feature of the demographic development of the Baltic States in the 1980s was fertility increase. The mortality stagnation had reached an alarming stage, and natural growth was low, especially for the titular ethnicities. The Slavic peoples with fertility rates below

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<sup>1</sup> The more diverse the ethnic composition of a territory (state), the higher the value of the index.

**Table 1** Changes in the ethnic composition in the Baltic States: 1959-2011 (in thousands and %)

	In thousands				Percentage			
	1959	1989	2000*	2011	1959	1989	2000*	2011
<b><u>Estonia</u></b>								
Estonians	892.7	963.3	930.2	902.5	74.6	61.5	67.9	69.7
Russians	240.2	474.8	351.2	326.2	20.1	30.3	25.6	25.2
Ukrainians	15.8	48.3	29.0	22.6	1.3	3.1	2.1	1.7
Belarussians	10.9	27.7	17.2	12.6	0.9	1.8	1.3	1.0
Finns	16.7	16.6	11.8	7.6	1.4	1.1	0.9	0.6
Jews	5.4	4.6	2.1	2.0	0.5	0.3	0.2	0.2
Others and unknown	15.1	30.4	28.6	21.0	1.2	1.9	2.0	1.6
<b><u>Latvia</u></b>								
Latvians	1297.9	1387.8	1370.7	1285.1	62.0	52.0	57.7	62.1
Russians	556.4	905.5	703.2	557.1	26.6	34.0	29.6	26.9
Belarussians	61.6	119.7	97.2	68.2	2.9	4.5	4.1	3.3
Ukrainians	29.4	92.1	63.5	45.8	1.4	3.5	2.7	2.2
Poles	59.8	60.4	59.5	44.8	2.9	2.3	2.5	2.2
Lithuanians	32.4	34.6	33.4	24.5	1.5	1.3	1.4	1.2
Jews	36.6	22.9	10.4	6.4	1.7	0.9	0.4	0.3
Others and unknown	19.4	43.6	39.5	38.5	1.0	1.5	1.6	1.8
<b><u>Lithuania</u></b>								
Lithuanians	2150.8	2924.3	2907.3	2561.3	79.3	76.9	83.4	84.2
Russians	231.0	344.5	219.8	176.9	8.5	9.4	6.3	5.8
Poles	230.1	258.0	235.0	200.3	8.5	7.0	6.7	6.6
Belarussians	30.3	63.2	42.9	36.2	1.1	1.7	1.2	1.2
Ukrainians	17.7	44.8	22.5	16.4	0.7	1.2	0.7	0.5
Jews	24.7	12.4	4.0	3.1	0.9	0.3	0.1	0.1
Others and unknown	26.8	27.6	52.5	49.2	1.0	3.5	1.6	1.6

Source: National statistical offices. Population census data. \* 2001 in Lithuania

replacement level gained a solid natural increase because of a younger age structure (as a result of the influx of predominately younger immigrants).

Further, the authors focus their analysis on the post-soviet period. The publication of the results of the 2000-2011 censuses makes it possible to analyse the dynamics of the ethnic structure and patterns of the titular ethnicities and ethnic minorities during almost the last 25 years (Table 2).

**Table 2 Ethnic composition in the Baltics in 1989-2011 (in thousands and %)**

Ethnicity	1989	2000	2011	Change 2011/1989	% Change 2011/1989
Lithuanians	2 962	2 943	2 588	-374	-12.6
Latvians	1 395	1 376	1 289	-106	-7.6
Estonians	968	939	905	-63	-6.5
Russians	1 725	1 278	1 060	-665	-38.5
Poles	321	297	247	-74	-23.2
Belarussians	211	158	117	-94	-44.4
Ukrainians	185	115	85	-100	-54.2
Jews	40	17	12	-28	-70.0
Finns	17	12	8	-9	-52.9
Others and unknown	83	99	97	14	16.9
Total	7 907	7 234	6 408	-1 499	-19.0

Source: Calculation of the authors from [ 3], [ 4], [ 8].

Around the turn of the millennium, contrary to the Soviet period, the natural movement balance is distinctly negative, more explicitly in Latvia and Lithuania. The excess of deaths over births has been since 1991, and in relative terms the greatest natural population losses are among minorities, which are ageing faster than ethnic Estonians, Latvians and Lithuanians (Berzins & Zvidrins, 2010). As one can see in Table 3, the negative natural change is a typical feature for all the seven larger ethnoses in Latvia, including the titular ethnicity. In the last 6 years natural decrease of ethnic Russians is almost three times higher than the decrease of Latvians.

**Table 3 Natural decrease of ethnicities in Latvia(yearly average)**

Ethnicity	1993-1997	1998-2002	2003-2007	2008-2013
Latvians	-6498	-5792	-3441	-2457
Russians	-5816	-4886	-5959	-6374
Belarussians	-1069	-1029	-1298	-1377
Ukrainians	-268	-357	-600	-678
Poles	-723	-616	-708	-739
Lithuanians	-277	-252	-369	-418
Jews	-248	-144	-124	-103

Source: Calculation of the authors from [ 4], [ 8].

As a result of ethnically selective migration movements and cardinal changes in nature of population reproduction in the past 25 years, the proportion of minorities' population in all three states has decreased while

the proportion of titular ethnicities has increased. However, the share of titular ethnicities is much lower than before World War II and in Estonia even slightly lower than in 1959.

A characteristic feature of the ethno-demographic development after the regaining of independence is the decrease of the population (depopulation) – both the titular ethnicities and minorities. The total number of population in the Baltics decreased from 7.93 million in 1990 to 6.26 in 2014, or by 21%. Thus, the Baltic States have one of the highest population loss indicators in the world. According to the 1989 and 2011 censuses, the population of three titular ethnoses has decreased from 5.3 million to 4.8 million, or by 10%, but the population of the different minorities has decreased more substantially (by 37%). At the beginning of 2015, in the Baltics lived 2.5 million ethnic Lithuanians, 1.2 million ethnic Latvians and about 900 thousand ethnic Estonians.

The share of population for minorities, which formed one-third of the total population in the Baltics in 1989 has decreased to one-fourth with a clear tendency to further drop. Thus, the population in every Baltic State has become less diverse. However, the proportion of minorities is still high in comparison with many other countries, particularly in Latvia (38% in 2014, in the capital city Riga 54%).

The largest ethnic minority by size in every Baltic State is Russians. Their total number within inter-census period (1989-2011) decreased by one-third (almost by 660,000) and during the first decade of this century – by one-fifth (by about 200,000). However, their numerical strength is still, impressive. The number of Russians (1.01 million in 2014) is only slightly less than the number of Latvians and exceeds the number of Estonians living in the Baltics. More than a half of the Russians residing in the region live in Latvia (about 520 thousand), 320 thousand in Estonia and about 170 thousand in Lithuania. In many cities, including one of the largest cities of the Baltic Sea region Riga, and the rural settlements of eastern parts of Estonia and Latvia there is a dominance of the Russian environment and language. The former so-called „Russian towns” (Narva, Sillamae, Daugavpils, Ignalina and some others) or „Russian zones” in towns and cities are the most problematic from the point of view of social integration.

The Russians, similarly to the Slavic population as a whole, are relatively weakly integrated in the societies therefore much attention in each state is devoted to build up a common political identity for people living in these countries. This issue still is one of the most pressing, especially in Latvia. In 2011, Russian-speaking groups of population intensified political activities by launching the process of a referendum on the official status of the Russian language in Latvia. The referendum took place on 18 February 2012 and  $\frac{3}{4}$  voted against making Russian an official state language.

The second largest minority by size is Poles. Their number is about 240 thousand and has a weak tendency to decrease. The great majority (more than 80%) of them reside in Lithuania, about 45 thousand in Latvia and only about 1,600 in Estonia. A relatively high proportion of Poles live in Vilnius and in the Šalčininkai municipality.

The Belarussians are the third largest ethnic minority. In Latvia the Belarussians are even the second largest minority, and in Eastern Latvia (Latgale) they have their local national roots. The majority of them are Russian speakers. They have a negative net migration and natural decrease. In addition, the Belarussian community has decreased due to assimilative processes.

The Ukrainians are the fourth largest minority and the seventh ethnic group by size in the Baltics. Half of them are residents of Latvia. In demographic terms, Ukrainians are a younger ethnic group and have slightly integrated in the Baltics. Approximately half of them speak mostly Russian and, similar to the Belarussians, about 90% of families are ethnically mixed. The age structure of Ukrainians is relatively young, therefore their depopulation began a little later and it is not as profound when compared to other minorities. They are relatively well educated. Ukrainians living in the Baltic States were denied Ukrainian citizenship by their officials, and therefore their repatriation to the Ukraine was more marked than of other Slavic ethnicities to their home countries. For that reason the number of Ukrainians who have obtained citizenship in the Baltics, is very low.

The number of Jews in comparison with the abovementioned minorities is small and it has decreased substantially during the last two decades. Since the regaining of political independence their number in the Baltics has decreased three times. A large part of them reside in Latvia, mainly in capital city Riga. Their fertility rate is very low and an old age structure can be observed; emigration was also extremely high. Among them the percentage of citizens is rather high.

Two other ethnic groups live in the Baltics whose numerical amount is about 10,000 persons. These are Finns and Gypsies (Romani). A large part of the Baltic Gypsies lives in Latvia (about 5,600), while Finns live mainly in Estonia (7,600). Germans are among those ethnicities in the Baltics which are losing people as result of natural movement and emigration. About 8 thousand Germans currently live in Estonia, Latvia and Lithuania. Their number is higher if one uses data from indirect calculations. The reason for such a discrepancy is that several thousand people did not declare themselves German during the Soviet occupation and then continued to do so after independence.

Each Baltic State has a relatively small number of titular ethnicities of the neighbouring Baltic States. Lithuanians in Latvia make up the greatest number, but Estonians in Lithuania account for the least number.

According to estimates based on 2011 census data there are 33 thousand representatives of such minorities from the neighbouring countries, which account for only 0.5% from the total population in the Baltics.

Development of demographic projections is among the most important tasks of demography. However, demographic projections by ethnicity have been produced very rarely, including all three Baltic States. The baseline demographic scenario based on Eurostat and national statistical offices data indicates a population decline for almost all ethnicities in each of the three Baltic States by 2025. The proportion of non-titular population will decrease faster.

In all the Baltic States the proportion of the titular ethnicities is rather high in the rural population, particularly in Lithuania and Estonia. In towns the proportion is smaller. It should be stressed that this aspect of studies is complex, particularly in rural areas. The types of linkage between individuals and places of residence are different in each country and changing continuously.

The proportion of non-titular ethnicities is very high in the capitals. In Riga it increased from 55% in 1959 to 63.5% in 1989 and even in 2014 it was 54%. The proportion of non-titular ethnicities in Tallinn increased from 40 to 53% between 1959 and 1989. In the period of independence the proportion had been steadily decreasing to 45% in 2011 and slightly less at present (Figure 1).

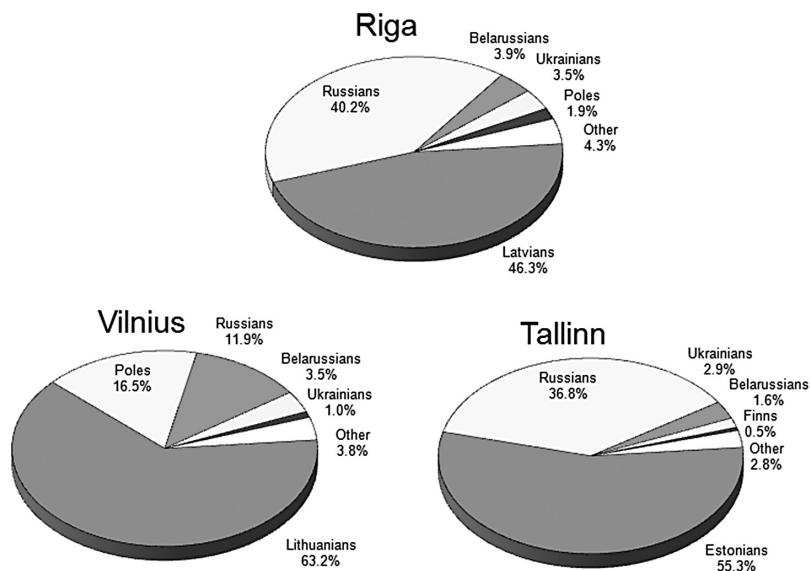


Figure 1 Ethnic composition in the capital cities of the Baltic States in 2011

The situation in the capital of Lithuania (Vilnius) was different. The share of ethnic minorities had been steadily decreasing from 66% in 1959 to 49.5% in 1989. The proportion has had a tendency to decrease also in the period of independence, making up only 37% in 2011.

In Kaunas, the fourth largest city in the Baltics, the proportion of ethnic minorities is very low (about 7%). A quite different situation is in Daugavpils, the second largest city of Latvia, where only 20% of the people living there are Latvians.

The collapse of the Soviet Union and the establishment of the renewed independent states of Estonia, Latvia and Lithuania rapidly changed the demographic patterns, also the population proportion of titular ethnicities, Slavs and other minorities. A very important indicator of national identity for the people and the adaptability of non-titular ethnicities is knowledge of the native language. It is evident that a correlation between individuals' ethnic origin and the language mostly spoken at home is close. However, Russian serves as a mother tongue or is mostly spoken at home for the significantly large proportion of non-titular and non-Russian ethnic groups. According to the latest soviet census, in 1989 only one-third of ethnic Russians in Lithuania, 22% of those in Latvia and 15% in Estonia knew the respective state language or used it as their native language. Other Slavic populations knew the titular language even slightly worse. The proportion of non-titular ethnicities in the towns that knew that language was smaller than in the rural areas. Only 12% of Russians in Tallinn knew the Estonian language. In Riga and Vilnius these indicators were slightly higher, 20% and 32% respectively. Thus, in the capitals and many other cities the ethnic Baltic population was in an absurd situation to which they had to adapt in everyday communications [Zvidrins, 2004].

Naturally, until the beginning of 2000 the percentages of various minorities who knew the Estonian, Latvian and Lithuanian languages increased considerably. For example, the share of those who knew the Latvian language was 17 points higher than in 1989. The rise had been the highest amongst ethnic Ukrainians (37%), Tatars (34%), Belarussians (32%) and Germans (32%).

During the years after the 2000 census, the proportion of population who know the titular language has had a clear tendency to increase. Censuses data (2011) show that in all the Baltic States the proportion exceeded four-fifths of permanent residents, but in Lithuania it reached even 94%. The data also show that knowledge of English is higher in Estonia, but knowledge of Russian – in Latvia.



## Conclusions

The regaining of political independence in the Baltic States in the 1990s cardinally changed the intensity of population reproduction and the patterns of migration. These countries became countries of emigration with a distinctly negative balance of natural movement of population, including titular ethnicities (ethnic Estonians, Latvians and Lithuanians). Starting with 2005 the relative level of depopulation in Latvia and Lithuania reached peak, especially in the economic crisis period which started at the end of 2008. During the period the Baltic States were the fastest shrinking population in Europe.

The total number of titular ethnicities has decreased; however, their proportion has increased. The fertility rates among the titular ethnicities are higher than those of the Russians or slightly above the average rate of other ethnic minorities. Meanwhile, the level of mortality of titular ethnicities is lower than for Russians and other ethnic groups. Scholars from different countries have also found out that representatives of non-titular ethnicities are prevailing among emigrants. Thus, during the period since the regaining of independence every Baltic State has become less diverse. Latvia still is one of the most ethnically diverse countries in Europe.

The main conclusion from the analyses of censuses data on language competence is that there are no monolingual people in the Baltic States. The knowledge of the titular languages is increasing gradually. However, in Estonia and Latvia knowledge of national language among Russians and other Russian-speaking population is still lower compared with those Western European countries where a significant proportion of immigrants live.

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# **PUBLIC ATTITUDES TOWARD CULTURAL NGOs IN LATVIA: IMPLICATIONS FOR BUSINESS, GOVERNMENT AND NGO PARTNERSHIPS IN AN EMERGING CIVIL SOCIETY**

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## **Abstract**

This article reports the results and implications of a 2014 research project to assess public attitudes toward nongovernmental organizations (NGOs) whose missions focus on the broad field of cultural awareness, services, education and programs. These include theatre, film, dance, painting, museums, folk centres, television, libraries, ballet, and dance, among others. Using an online survey, the 801 respondents showed strong support for these systems. For organizations (which wish to enhance their corporate social responsibility efforts), governmental agencies

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<sup>1</sup> Professor Ritvo would like to express his appreciation to Auburn University Montgomery's College of Business Dean Rhea Ingram, the University Research Council plus the University of Latvia and the Riga Business School for being such helpful host institutions.

(which have public funds targeted toward cultural services) and NGOs (which usually need additional support), these results lead to developing collaborative partnerships. The article concludes with practical strategies for successful joint efforts.

**Key Words:** Latvia, NGOs, Cultural Organizations, Organizational Partnerships, Ministry of Culture, Public Attitudes

## Introduction

Frederick Starr (1983), President of Oberlin College for a decade in the 1980s and 1990s, noted that jazz was a favourite musical form for Soviet youth during that era. In its own way, jazz is about improvisation, freedom to experiment, and individual expression within a larger context. These were not the values that former Soviet Union leaders espoused and thus they grew to mistrust jazz, close the clubs where it was played and even sponsored a Soviet Jazz Orchestra to steer music in a new direction (Essays UK, 2013). Does music relate to NGOs? Indeed, the parallels are clear. As needs develop, people create new organizational structures to try to meet these needs. This is jazz transferred to an organizational chart.

Latvia celebrated when the European Union selected Riga as the 2014 European Capital of Culture (2014). This honour is part of a broad effort to (a) “highlight the richness and diversity of cultures in Europe, (b) celebrate the cultural features Europeans share, (c) increase European citizens’ sense of belonging to a common cultural area, and (d) foster the contribution of culture to the development of cities.” As Latvia continues to develop as an independent country, the core elements of a civil society become increasingly important. The three major driving organizational systems in a national economy are the government, business and nongovernmental (NGO) organizations. This article concludes by exploring the implications of the data for these three organizational pillars of civil societies.

When Riga was named the 2014 European Capital of Culture, new and existing cultural activities expanded. Established by the City of Riga, the Riga 2014 Foundation planned and coordinated cultural events in both the public and the private sectors, recruited and supervised volunteers, and became a central budget resource. Latvia’s cultural heritage is a rich blend of many forces and an important element of its heritage. Because Latvia is located on the Baltic Sea, this heritage includes German, Slavic, Soviet, Russian, Christian, Hebrew, Scandinavian and other influences.

Cultural NGOs in Latvia include a wide range of organizations, services, programs and activities: photography, theatre, ballet, folk dance, alternative dance, music genres, special festivals and non-state museums. Working with governmental and government-funded organizations, these systems contributed to the vibrant year of culture in Riga. NGO’s and communities

both in Riga and beyond increased their cultural activities in 2014 and hopefully much longer.

Urban renewal, self-awareness, marketing and stimulating artistic creativity are the complementary and worthy goals of the annual European Capital of Culture program. It works. The Central Statistical Bureau (2014) in Latvia's Bureau of Statistics reports that in 2014 Latvia has had the most visitors/tourists since the crisis in the late 2007. In addition to the obvious economic benefits of grants and increased tourism, potential results can help in "regenerating cities, enhancing the image of cities in the eyes of their own inhabitants, and breathing new life into a city's culture."

Drawing from the broad field of social anthropology, it is critical for organizational leaders to understand societal values and structures (Mead, 1994), as well as the general social context of the country (Terpestra and David, 1991). Successful organizational leaders, whether corporate or non-profit, governmental or private sector, make strategic decisions about the system's future using information about the external environment. Key factors include other organizations' goals, missions, services and programs, as well as public attitudes.

Since government plays an essential role in Latvia's cultural life through the National Opera, National Symphony, National Ballet and many other outlets, its role and mission are a key factor in this analysis. Benchmarking 'best practices,' selected NGOs that are small with focused missions, as well as nationally-recognized organizations are profiled in this article.

Nordic Culture Point is part of the Nordic Council of Ministers which supports cultural programs in Latvia. Its director (Voetmann, 2014) believes that cultural events, programs and education can also be an important "instrument of security policy." As "soft" security, cultural awareness reinforces a country's values, heritage and traditions. This definition reflects the missions of NGOs in the broad field of cultural services.

This research has several complementary objectives:

1. to document public attitudes toward NGOs with culture-related missions
2. to review the key role of the Ministry of Culture
3. to present "best practice" examples of successful partnerships
4. to summarize action principles for organizational leaders

## Methodology

Snowball, network and referral sampling are all terms for the same basic process of sample development: each respondent is asked to share the survey's internet link with family, friends, colleagues, co-workers, supervisors, subordinates and even people in a coffee shop. The goal

is to get as wide a spread as possible. Using the SurveyMonkey.com website, the questionnaire in Latvian and Russian was available from early September through early December, 2014. A cover letter in Latvian explained the research and its potential benefits to NGOs, corporations looking to partner with an NGO and its contribution to the growing body of literature on NGOs in former Soviet countries. Overall, 801 respondents comprise the final sample.

Additionally, selected interviews were conducted during the survey period. There were instances when it was difficult for the research team to collect accurate and timely information on cultural events. Some NGOs were candid that their priorities, which were to plan and offer a variety of programs, not to cooperate with others. After contacting 26 NGOs in Riga to arrange meetings, only 7 responded, some only after repeated attempts.

## Description of Sample

Age: The following table shows the age categories of the respondents.

Table 1 Age Distribution

Age	Number of Respondents	Percentage
Under 20	117	15%
20-30	372	47%
31-40	124	15%
41-50	80	10%
51-60	72	9%
60+	35	4%

Gender: Of the 794 respondents who identified their gender, 67% (n=532) were female and 33% (n=262) were male.

## Results

### Demographics

The respondents do not overall represent the population of Latvia. Women are more represented in this study than in their percentage of the population; therefore men are under-represented. This research began with university students; thus, the initial respondents were more likely to be women because “55.8% of newly-enrolled students enrolled are female (Public Broadcasting of Latvia, lsm.lv, 2014).” Also, the sample is much younger than the national average; the median age in Latvia is approximately 41.4 (CIA, 2014) while the respondents’ median age is 27.8.

This age difference can be attributed directly to the survey's methodology, which used both an internet-based questionnaire and social networking sites (Facebook, etc.) as an integral part of the process. Younger people, especially students, are more active in this regard than their parents' generation.

### *Age and Gender Perspectives*

Overall, 69% of the respondents indicated Support/Strong Support for NGOs in the broad cultural sector. However, there was a difference between the views of NGOs for those under the age of 30 versus those over the age of 50. Of the 485 respondents under the age of 30, 76% (n = 370/485) Agreed or Strongly Agreed that NGOs are important. This compares with only 52% of those over the age of 50 (n = 56/106). When analysed by gender, there is a closer margin: 73% of women (n = 387/528) Agree/Strongly Agree on the importance of culturally-focused NGOs while 61% of the males did so (n = 160/259).

## **Civil Society's Three Key Elements**

The concept of civil society is like the sides of triangle: the government, NGOs and corporate entities. The emerging concept of Corporate Social Responsibility is taking root in Latvia. It embodies a company's "commitment to improve community well-being through discretionary business practices and contributions of corporate resources." (Kotler and Lee, 2005:3) In the sections that follow, each of the three key components of this movement are defined and specific 'best-practice' programs in government, business and NGOs are referenced.

1. Latvia's Ministry of Culture and NGOs: The government's role in cultural affairs is extensive and pervasive. By law, the Ministry of Culture (2014a) is responsible for broad areas of cultural life: libraries, museums, music, visual arts, folk art, non-material heritage, theatre, literature, cinematic art, cultural education, architecture, copyrights, monument protection, archives, and social integration. One of the priorities for the Ministry's funding includes "nationally significant projects." This may make sense from the government's perspective: bigger is better. But sometimes, in the arts, the cutting edge, new artists, plays and literature need support as well. These emerging modes do not generally receive government funds. (Ministry of Culture, 2014b)

The Ministry of Culture's (2014) Advisory Council consists of representatives of non-governmental organizations. The council meets on regular basis to discuss issues and makes proposals to the Ministry. Such conversations can result in new legislative proposals, joint programs, coordinated service plans and greater understanding.

The State Culture Capital Foundation (2014) “promotes a balanced development of creativity in all the branches of art and preservation of the cultural heritage in the country.” Through grants, contracts and other funding approaches, the Foundation supports a wide range of cultural activities within the Ministry’s mission.

2. Selected Examples of NGOs with Cultural Missions: As noted above, the Latvian government plays a major role in cultural affairs. This does not reflect what is occurring in the private sector’s relationships with NGOs. Freedom House (2014) is “an independent watchdog organization dedicated to the expansion of freedom around the world.” Its policy analysis reached a general conclusion about the state of NGOs in Latvia in 2013-14. “The number of NGOs, including those with the official status of public benefit organization, is rising, but civil society groups struggle for financial sustainability. State funding of NGOs is not transparent; a weak culture of voluntary work and private donating also represent key obstacles.” This background of good intentions, low funding and emerging volunteerism forms the context for this research project and its results. In the next section of the article, selected successful NGOs document how non-governmental organizations contribute to cultural life in Latvia.

a. Ascendum: As an example of an NGO in action, Ascendum Community Association works to strengthen culture, education and civil society in Latvia. Its Mans Doms program aims to renovate the Riga Dome and add new meaning to its historical architecture through cultural events. Another effort is Garā Pupa, which focuses on cultural education of children by organizing theatre and exhibitions based on the premise that cultural awareness starts in childhood. Support for this aspiration can be found in the following quote: “In general education, Art Education is offered to every young person to develop his or her creative abilities and interests in art.” (Miltina, et al, 2012) Finally, “Satori” is an online journal for discussions about social-political and cultural-political topics.

b. Civic Alliance-Latvia: Founded in 2004, Civic Alliance – Latvia’s mission is “to strengthen civil society by supporting the common interests of Latvian non-governmental organizations and creating a favourable environment for associations’ and foundations’ work.” As an alliance, its members include individuals and organizations that bring together over 28,000 people. Its 5 year goals include helping NGOs access funds, strengthening these organizations’ technical capacities, influencing the political process to assist NGOs and promoting Latvian NGOs domestically and internationally. Its emphasis on civil society includes the expanding role of cultural programs and services through education.

c. New Theatre Institute of Latvia: Since 1995, the New Theatre Institute of Latvia (NTIL) has been working in the field of contemporary



performing arts. It is well known for the biennial International Festival of Contemporary Theatre Homo Novus, the largest performing arts platform in Latvia. NTIL also produces and presents projects and maintains collaborative relationships with local and international partners, strongly believing in the necessity to explore the contemporary performing arts field together with artists and audiences.

d. Culture and Arts Project NOASS: This is one of the oldest non-governmental arts and culture organizations in Latvia. For 16 years, its goal has been to participate in the formation of the Latvian and European cultural environment. It supports contemporary arts projects in an urban environment, making art part of the daily lives of residents of Riga and visitors to the city. Recently, the association has participated in the widely-known and supported contemporary arts forum, White Night, the annual Riga City Festival and the International Museums Night plus a variety of smaller projects. White Night offers artistic, theatrical, musical, dance performances and other projects. A major annual event, the Riga City Festival is a kaleidoscope of cultural programs and attractions. During the International Museum Night, Latvian museums across the country remain open long after midnight.

While there are not event-specific assessments, senior staff is concerned that people may not be as supportive of the arts as they would like. This does not undercut the fact that NOASS's events are well attended, many completely sold out, and the audience is quite diverse. Generally, people who attend these events are very active in cultural life, so they are informed about latest news. People who don't have access to this kind of information are less likely to participate. This supports the issues raised in the Freedom House report cited above.

3. Business Investments in Cultural Affairs: The third side of the triangle for supporting the cultural affairs in Latvia is the role of the corporate and business community. One might ask why any business would invest in cultural affairs. The major reasons for corporate philanthropy include enhancing marketing efforts, strengthening community image, increasing customer loyalty, raising employee motivation and improving retention rates. These are possible outcomes, some of which are not easily quantifiable. Supporting the arts and culture can be good business; current examples below illustrate this point.

a. Association for Development of Sarkandaugava: An example of how cultural events can spur economic and community growth can be found in the Association for Development of Sarkandaugava. In this neighbourhood of 14,000 people in Riga, residents, businesses and schools come together to discuss issues of common concern. As part of the Riga 2014 program, it participated in the Survival Kit satellite project with its vision of the

“Utopian City.” Artists helped the public appreciate that cultural programs can improve the environment and their quality of life. Two prominent local businesses, Aldaris Brewery and the A/S RER Corporation (Riga Electric Machine Building Works), are starting to contribute funds and non-monetary support to help Association projects of mutual interest. This support has both real and symbolic implications, helping the Association build its reputation for successful programming that meets community needs.

b. Business Development Fund: Supported by funds from Iceland, Liechtenstein and Norway, the Fund developed *The Game of Creating a Social Enterprise for Youth*. Extending for a period of 18 months in 2013-2014, the project budget was under €18,000. It “provides innovative preventive activities to reduce the risk of social exclusion and poverty of youth by creating social enterprises and organizing exchange of experience to socially responsible enterprises (Business Development Fund, 2014).” Using personal assessments, group discussions, internships with local businesses and focused information brochures, 40 young adults ranged in age from 18 to 25. They learned and had opportunities to apply some of the important skills and requirements needed to be successful in the work environment. Time management, dress codes, appropriate language, and interpersonal relations can help these future employees do well when they gain employment.

As the practice of corporate social responsibility grows in Latvia, the roles of government, NGOs and business will become more interconnected. As stakeholders, consumers, clients, and citizens have a voice – and that voice in our survey supports the cultural activities and traditions in Latvia. One factor for the leaders in these three sectors of society to consider is the public’s attitudes, which should be an important part of an NGO decision processes. The implications of such support are explored in the following section.

## Implications

Partnering with other organizations has both real and symbolic benefits. Tangible results can be funds, publicity, sales, staff time, space and communications expertise. Symbolic results include enhanced reputations for both entities, the synergy of working together, customer support and community goodwill.

International partnerships seem to be expanding in Latvia. The EU’s “Culture” and “Creative Europe” initiatives have Latvian partners. Added support came from the Ministry of Culture through program contracts and agreements, the Culture Capital Foundation, Riga City Council,

foreign embassies and cultural institutions and corporate partners. When available, ticket revenues can cover some project costs. However; limited resources compel decision makers to avoid risky, controversial or cutting-edge programs.

Leaders should keep in mind one of the findings in this research: there is a documented need for more information. An open-ended question asked respondents what NGOs of any type can do for them; a plurality of respondents (23%) mentioned organizing cultural events, providing more information about such programs, and educating them on what these NGOs can do. This was the single most specific need or set of programs and services that were mentioned, exceeding education, food, housing and economic development. While the data do not specify how people would like to receive this information, one can infer that a variety of approaches would result in increased awareness of, and support for, NGOs with culturally-focused missions.

Is there work to be done? Absolutely, as the results of a (Culturelab, 2014) study documented: “only 2/5 of the inhabitants have at least once visited a theatre, an exhibition and a concert of popular music.” Reflecting themes developed through this research, the report noted “two tendencies – passive participation in cultural activities (74% of respondents choose watching TV) and participation in cultural activities without financial contributions (41% of respondents look for cultural activities free of charge).”

## **Are rural areas different?**

The Haritas Art Society collaborated with the Latvian Academy of Culture to study residents’ participation in cultural activities from January through November 2014. Since the timing of this research project coincides with the Haritas effort, its results assume importance, even though it is not a national survey. The stated goal of this complementary research is “to reduce statistical frequency of the point of view that “culture does not apply to me.” Results document that “the majority of the respondents are satisfied with cultural life in their hometown and with the quality of the events/activities.”

Most of the respondents attend cultural events one to three times a year and approximately 25% attended monthly. There was a general consensus that the Valmiera Drama Theatre is a most important cultural asset, and the “Night of Museums is the most visited annual cultural event.” (Culturelab.lv, 2014)

These figures document that cultural events form an important part of this cultural region (one of 4 in Latvia). What did people in this region cite

as reasons for not attending cultural events during the 2014 survey? Those in Valmiera (population about 27,000, 60 km northeast of Riga) noted financial concerns, whereas those in Vidzeme lack of free time (43%), no one to attend with (31%) and distance (28%).

**Table 2 Attendance at Events in Vidzeme Region**

Event	Percentage Who Reported Attending
Local Festivals	56%
Tradition (Easter, Midsummer)	51%
Library	46%
Amateur associations	40%
Balls, Discos	33%
Museums	29%
Exhibitions	27%
Family events with children	26%
Popular music, (such as rock concerts)	23%

Although our survey did not gather information on where the respondents live, there may be a difference in access to information, ability to attend cultural events and family finances between urban and rural areas. While these results support the findings of our study in general, they denote some of the obstacles that government, corporate and NGO leaders need to consider when forming partnerships and offering programs and services in less populated regions of the country. Interviews and the open responses note that more publicity is needed; this can be accomplished through social networks, printed materials (posters, flyers, catalogues), television, radio, and the press. Like commercial products, word of mouth from supportive patrons, participants and audiences is usually effective.

The next section provides specific strategies that NGOs, government and corporate partners can use to develop successful collaborations to address these needs.

### **Executive Strategies: Putting the Data to Work**

1. Find partners with complementary missions and/or values
2. Develop agreed-upon goals and objectives that are specific, measurable and attainable.
3. Use multiple communication mechanisms both between the partners and with the community.

4. Develop a project or program budget including staffing responsibilities.
5. Implement a periodic assessment process involving stakeholders (such as clients, customers, patrons, audience members, donors, media representatives).
6. Share results and lessons learned.
7. Celebrate successes!

## Limitations

As with all research, there are limitations in the process and then putting the findings in context.

1. The first major issue is that this sample does not represent the national population in terms of age or gender. It is a younger and more female sample than a random sample of the Latvian population.
2. A second limitation is the lack of information on where respondents live. There may be a difference between the attitudes and cultural awareness of people in Riga and those who live throughout the country. This issue is raised by the results of the Haritas 2014 study.
3. Finally, the choice of Riga as the 2014 European Capital of Culture may have influenced the respondents through the year-long publicity campaign and number of cultural events.

## Concluding Thoughts

President John F. Kennedy clearly summarized the role of culture in a society when he said “I am certain that after the dust of centuries has passed over our cities, we too will be remembered not for victories or defeats in battles or in politics, but for our contribution to the human spirit.” This reflects the spirit of the Latvian poet Jānis Pliekšāns (1865-1929), who used the pseudonym Rainis: “For each revolution, the main objection is that it destroys the culture and general well-being. It is not to deny the axiom that culture is the most expensive property of humanity and as such, inviolable.” Jānis Akuraters (1876-1937), founder of the Latvian National Theatre, believed that “Our greatest mission is the future. And this mission includes spiritual values in literature, music, art, and science.” Preserving and expanding a country’s cultural heritage is the challenge facing government, corporations and NGOs. Latvia’s cultural heritage deserves nothing less.

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# ECONOMIC PERFORMANCE OF THE RIGA PORT CLUSTER

**Ivars Kassalis**

Dr. Oec.

## **Abstract**

Today, the ports are multi-functional industrial centres that concentrate around themselves a variety of economic activities. Essentially ports are naturally formed clusters whose activities so far have been rarely studied. The topicality of this article is due to the fact that using the environmental benefits of a cluster; cluster members have the opportunity to increase their competitiveness.

The objective of this article is to determine the functionality features of port clusters and their contribution to the economic development of Latvia, based on a performance analysis of the port of Riga as a naturally formed cluster.

The article confirms that for the analysis of ports operation a cluster approach can be successfully used, providing a comprehensive view of the functioning of the port of Riga and its impact on other economic activities and the national economy in general.

**Key words:** analysis, efficiency, cluster, port, national economy.

## **Introduction**

Scientific research and the practical experience of certain countries show that the cluster approach is an effective tool for increasing the competitiveness at the public, industrial and enterprise level. Such a view is also shared by World Bank experts and many world-renowned economists. Harvard University professor M. Porter (Porter, 1991) is considered a pioneer of the cluster theory, who has created *the Diamond model* for the analysis of the competitiveness of industries. There are other approaches in cluster studies, such as the school of the new economic geography that assess the clusters in the context of the regional development (Krugman, 1991), the school of the industrial districts, whose main focus is business co-operation within the industrial districts (Piore & Sabel 1984, Harrison, 1992), and the school of the population ecology that focuses on the agglomeration economy and its associated factors (Metcalf, 1994; Hannan & Freeman, 1977). Despite the broad and diverse phenomenon of the cluster approach interpretation in economics, it has gained a broad

appeal in enhancing the competitiveness and efficiency of clusters in industrial, regional and economical activities.

Ports today are a lot more than a mere place of transshipment of goods. Essentially ports are naturally formed clusters (Fujita & Mori, 1996); they are multi-functional industrial centres that concentrate around themselves a variety of port-related economic activities. Thus, the cluster approach has a rational basis for port performance assessment and future development. Globally the cluster approach in port performance analysis is relatively little studied and a single standardised approach has not yet been developed; to a certain extent this emphasises the topicality of this article and provides an opportunity for the author to be the first researcher in Latvia conducting such a study.

Regardless of the fact that during the last few years the cargo turnover in the Freeport of Riga has been gradually increasing, improving its competitiveness is still a pressing matter. According to the Quality of Port Infrastructure ranking, stated in the Global Competitiveness Report (World Economic Forum, 2013-2014), the competitiveness of Latvia is still lower (ranking 37<sup>th</sup>) than those of a neighbouring countries Lithuania (ranking 35<sup>th</sup>) and Estonia (ranking 17<sup>th</sup>). This situation raises the necessity to search for new approaches to ensure more rapid development of the Freeport of Riga and other ports of Latvia. Based on an extensive analysis of literature and the practical experience of other countries in the implementation of a cluster policy, the author has developed a methodical approach for determining the extended boundaries of clusters; the assessment of the cluster contribution to the national economy and provided suggestions for further development of Riga port cluster. The study confirmed that the main driving force of the port is stevedoring companies from whose activities efficiency of port performance is largely dependent. Stevedoring companies fulfil the main function of the port – loading and unloading cargo from the ships. In addition to these activities, the stevedoring company can also perform other services related to the further processing of the goods. Strong and competitive stevedoring companies are a major source for the further development of a port. The cluster environment provides many benefits to its members; however Riga port cluster companies still yet fully do not realise the benefits provided by the surroundings of naturally formed clusters. The effects of mutual synergy between cluster members can have a positive impact on the competitiveness of stevedoring companies and overall common development of the port.

Enterprise clusters and networks generally are formed as a the result of natural agglomeration processes, however, in order to strengthen mutual ties between the cluster companies and gain additional synergies, within the naturally formed clusters the formalised cluster organisations are being formed, bringing together a certain amount of cluster members.



Regardless of whether the cluster is a naturally formed or a formalised cluster organisation has been established, the benefits and operating principles developed by the cluster environment remain the same, thus the cluster performance analysis carried out in this article is applicable to both of the previously mentioned types of clusters. A formalised cluster organisation more commonly serves as a tool to increase operational efficiency and for closer integration between cluster members.

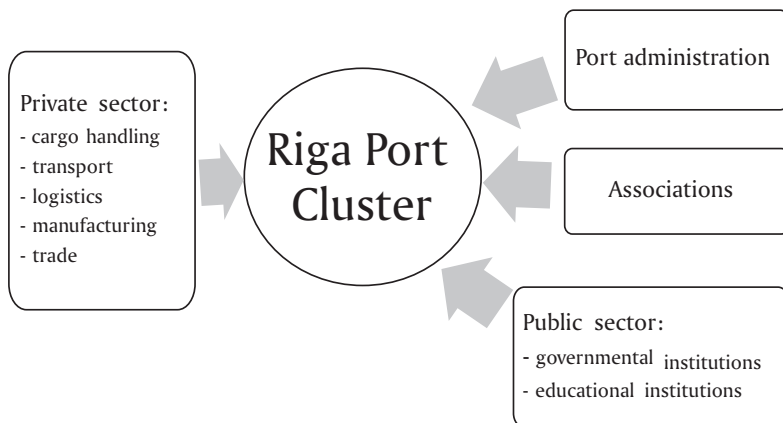
Given that the Riga port does not have a cluster organisation, the empirical part of this article is based on a performance analysis of the Riga port cluster as a naturally formed cluster, and cluster operation is compared with other naturally formed clusters around the world. However, the empirical part of this article analyses the possible benefits of establishing a Riga port cluster, taking into account the experience of other countries. During the empirical study, a survey was carried out involving the executives of the Riga port stevedoring companies, as well as experts from the national and municipal institutions, educational institutions, industry associations and other industrial clusters. A wide range of experts and diversity of the representative institutions enhances the representativeness of the study results and enables one to draw a valid generalisation. The study results have been compared with the relevant assessments of port clusters from other countries, whose performance analysis also uses the cluster approach principle, thus obtaining a more objective view of the strengths and weaknesses of the Riga port cluster.

## **Entrepreneurship in the Riga Port Cluster**

Latvian ports with a history more than eight hundred years old are a significant part of the global and regional cargo supply chains and passenger traffic network in the Baltic Sea region, providing safe and reliable services. Three big seaports (Riga, Ventspils, Liepāja) and seven small ports lies on the coast line of the Baltic Sea and the Gulf of Riga and play an important role in transport system of the national economy of Latvia. About 98% of total Latvian cargo turnover in 2013 was made up by the three export oriented big ports. The main types of cargo handled at these big ports are containers, various metals, timber, coal, mineral fertilisers, chemical cargoes, oil and food products.

The Port of Riga is the biggest port in Latvia and makes a strong contribution to the growth of Latvia's economy. According to provisional calculations, the operations of the Freeport of Riga provide approximately 3 to 3.3 % from the gross domestic product of Latvia. The port is not just a spender of tax payers' money, but it is the major tax payer: the port authority together with port enterprises pay state taxes in the amount of 350-420 million Euros per year. (Freeport of Riga, 2009).

The population of the Riga port cluster includes not only companies located in the territory of port, but also companies and organisations whose activities are related to ensure the port's performance – transport and logistic companies, financial institutions and others. (See Figure 1)



**Figure 1** Structure of Riga port cluster (extended model)

All activities related to the arrival of goods and ships are included in the port cluster. The most important business activities to be included in the cluster are:

- cargo handling (stevedores);
- transport (railway, road transport);
- logistics (warehouses);
- manufacturing (ship building, wood-processing and other); and
- trade (a specific set of trading activities is included in the port cluster as well. Trading and storage (in a port) are closely linked. Commodity trade is, for some commodities, still related to storage and cargo handling.

There are 15 different associations and organisations related to the Riga port activities and thus must be included in the port cluster. Co-operation between companies and governmental institutions is important because governmental institutions are responsible for legislation and development policy. Educational institutions train the workforce for port cluster members and therefore are an integral part of the cluster population.

Seaports are natural born clusters. An extremely important issue is how efficient entrepreneurs are able to obtain a synergy effect from the cluster environment. Closer integration and efficient co-operation could be important factors to foster development of Riga port cluster and create

better environment for social responsible business. Management from 80% of the stevedore companies were surveyed during the study in the port of Riga. Entrepreneurs were asked to evaluate several indicators to characterise the business environment in the port of Riga – level of trust between companies, co-operation with competitors, co-operation with municipality and R&D institutions, and universities. Evaluation was made using a value scale from 0 to 5, where 0 means very low level of trust and 5 is the highest score.

Collaboration is very much influenced by the overall entrepreneurship environment, which can be characterised by the level of trust between cluster members. (See Figure 2)

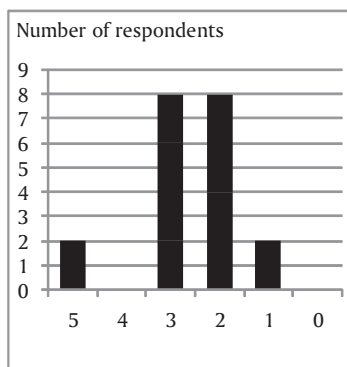


Figure 2 Level of trust

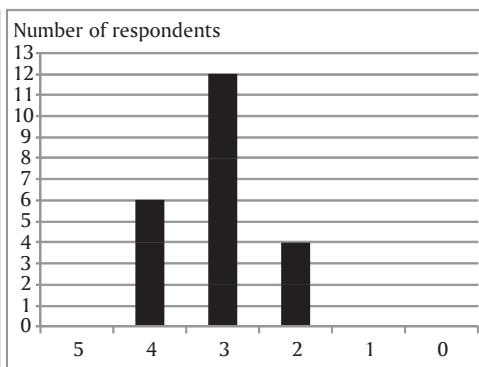


Figure 3 Co-operation with competitors

A majority of the stevedore companies consider the level of trust as medium or rather low and only some of them have had a very good experience in co-operation with other companies within the port. One of the ways to test level of trust is to evaluate collaboration with competitors. As can be seen from Figure 3, in general, collaboration with competitors is medium or low. There are still some exceptions and a few companies have had a good experience in co-operation with competitors. Unfortunately, the overall entrepreneurship environment is not motivating companies to collaborate with competitors and one of the reasons is the high internal competition in the Riga port cluster.

The municipality as manager of the port and land lord is an essential member in the cluster. The municipality is responsible for overall port development and infrastructure. It has to provide a strategic vision of future development and support the cluster companies' daily activities. To develop successful future plans it is necessary to involve port companies and know their needs. Ministries (Ministry of Transport, Ministry of Economics,

Ministry of Environmental Protection and Regional Development) can influence port development by elaborating rules and policies. Therefore co-operation between governmental institutions and port companies was another research direction. In Figure 4 are summarised the answers of entrepreneurs regarding co-operation with governmental institutions (including the management of Riga port).

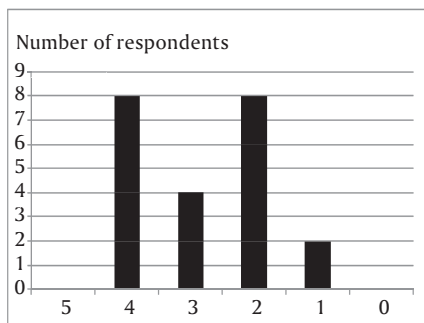


Figure 4 Co-operation with governmental institutions

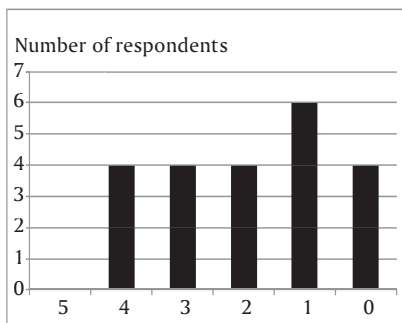


Figure 5 Co-operation with educational institutions

There is no consensus in the entrepreneurs' answers – some of them had good co-operation with governmental institutions, equally the same ones have pure collaboration. Almost half of stevedore companies are not satisfied with the co-operation with municipality. That is other evidence that there is something wrong with the business environment in the Riga port cluster.

Educational institutions provide port companies with new professional employees and also can train the workforce in the Riga port cluster. Co-operation with educational institutions can increase the innovation level in a port cluster as, for example, universities can make different kinds of research regarding an industry, therefore providing entrepreneurs with new knowledge. According to the entrepreneurs' answers, companies are very passive in co-operating with educational institutions and there is still a large area for improvement. The companies' managers recognise the importance of co-operation with educational institutions, but at the same time are expecting more initiative from the universities. Entrepreneurs are arguing that on a standalone basis it is difficult to co-operate with above mentioned institutions and collaboration with other companies could make this co-operation more effective.

80% from all the respondents agreed that the synergy from the port cluster environment could increase competitiveness. From the entrepreneurs

responses one can conclude that co-operation with customers and suppliers is the most important area of collaboration (See Figure 6). Closer integration with clients and suppliers could provide a positive influence to raise the income level and lower expenses. Entrepreneurs consider that competitors, governmental institutions and educational institutions are also important partners of co-operation. Benefits from co-operation with those cluster members could have indirect effect and results could be observed in the long-term.

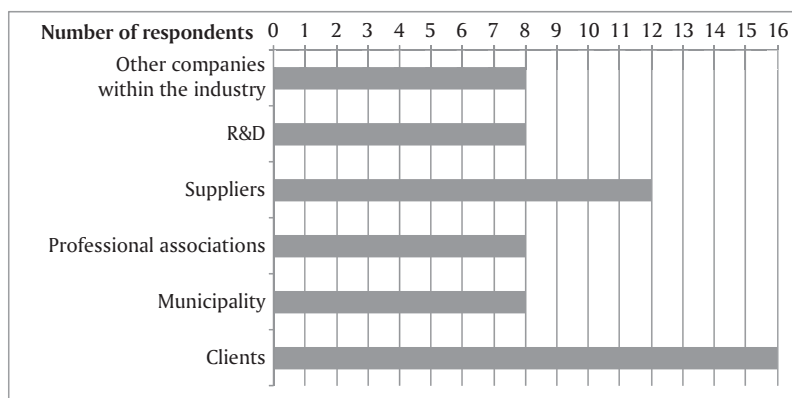


Figure 6 Most important co-operation partners

Entrepreneurs have a common positive attitude towards port cluster development as a tool to increase competitiveness, but opinions vary when they were asked who should start the initiative of cluster development. Less than one half of entrepreneurs consider that entrepreneurs by themselves must initiate cluster development and want to lead off initiative to governmental institutions – administration of the Freeport and the municipality.

Cluster case studies have evidence that the most successful clusters have developed if cluster initiative was started by entrepreneurs and not governmental institutions. Entrepreneurs' passivity to be involved in the cluster development process is a potential threat for the further growth of the Riga port cluster. Port cluster may have a different structure and definitely will be the subject of transformation while an optimal structure is found. Some of the members will leave, others will join in, but most important for all the cluster members is to understand what are the benefits from collaboration and keep being motivated in daily cluster activities. Co-operation and competition are the key words to remember.

## Exploiting the Advantages of Cluster Opportunities in the Port of Riga

Using the methodology developed by the author, based on academic publications and experience of port clusters, the structure and boundaries of the Riga port cluster have been set. New information about the Riga port cluster structure and functional boundaries extends understanding of the possibilities of using the cluster approach and their significance on the national economy of Latvia. It is possible to improve the methodology in further research by extending the research and using detailed data at the level of individual companies, thus obtaining more accurate information about the Riga port cluster.

Ship arrival and cargo handling at the port attracts a large number of related economic activities, thus, ports are a major factor contributing to the formation of urban agglomerations (Fujita et. al., 1999), which is fully applicable to the port of Riga. To determine the number of companies within the Riga port cluster, a methodology developed by the author has been used, by making use of the conclusions obtained during the study and findings of such well recognised researchers as De Langen and Ffowcs-Williams.

After defining the typical activities of port clusters, based on the methodology it was important to determine the number of companies in the country and in the geographic region of the cluster dealing with the identified activities. Then to identify the port cluster activity concentration according to the regional administrative division units of the port cluster, through the activity concentration index. Extended territory of the port cluster and the assessment of corresponding economic activities includes all administrative division units with corresponding port cluster activity level (index) more than a given limit value  $Z > 1$ .

Company concentration index in the cluster  $KI_j$  in the administrative unit is calculated by the following formula:

$$KI_j = \frac{\sum_{i=1}^n UN_{ji} / \sum_{i=1}^n UV_i}{UN_j / UV}, \quad (1)$$

where

$i = 1, 2, \dots, n$  port cluster economic activities,

$j = 1, 2, \dots, m$  administrative units in the port cluster region,

$UV$  – total number of companies in the country,

$UV_i$  – total number of companies the country dealing with the activity  $-i$ ,

$UN_j$  – total number of companies in the district  $-j$ ,

$UN_{ji}$  – total number of companies in the administrative unit dealing with the activity  $-j$ .

According to the methodology, using the available information from CSBL and Register of Enterprises, the author specified the extended boundaries of the Riga port cluster including some Pie-Rīga districts, with concentration of companies with characteristic economic activities of the cluster (see Table 1).

**Table 1 Cluster company concentration index in districts, 2011**

District	Companies in total	Companies with corresponding cluster activities	Concentration index
Stopiņu	463	57	2.18
Salaspils	646	57	1.62
Mārupes	1139	92	1.41
Ķekavas	901	68	1.30
Garkalnes	326	24	1.40
Babītes	465	34	1.30
Olaines	487	31	1.19
Ādažu	390	21	0.96
Carnikavas	211	11	0.87
<b>Country total</b>	<b>72708</b>	<b>4342</b>	<b>1.00</b>

Data source: developed by the author

A district is not included in the Riga port cluster, if the corresponding cluster industry concentration of companies in the district is lower than the total concentration in the relevant district, meaning that the cluster company concentration index is less than one. The largest cluster company concentration outside Riga is observed in Stopiņu, Salaspils and Mārupes districts, where a great number of road freight transport and logistics companies are situated. On the other hand Ādažu and Carnikavas districts have a low concentration of cluster companies, thus, these districts are not included in the Riga port cluster.

Research dedicated to the port cluster activities and factors influencing them, shows the diversity of approaches of their establishment and operation analysis (De Langen, 2004; Haezendonck, 2000). The port company survey, carried out by the author, was thematically developed and adapted to certain semantic units. After compilation and analysis, provided answers and the obtained results allowed the comparison and evaluation of the results from other ports. The basic idea when selecting port clusters for analysis was to identify similar profile ports operating in different geographical areas. Thus, the main criteria for port selection were:

- Ports are located in geographically different locations (continents), which make it possible to ascertain whether there are significant

differences between the port clusters operating in different economic conditions;

- The port cluster must be sufficiently important in the context of its corresponding regional economic activity; and
- A significant part of the port cluster turnover constitutes income from transit cargo and port competes with other neighbouring ports in cargo pull.

Based on the previously mentioned criteria, to carry out a comparative analysis of the results of the study at the port the Riga, three ports were selected (Rotterdam, Mississippi and Durban).

**Mississippi** port complex: main advantage is the high level of internal competition, which is relatively higher than in Rotterdam and the Durban port clusters. As main deficiencies can be seen – weak mutual co-operation as well as the fact that port cluster has no characteristic presence of customers and suppliers. Mutual synergies in such circumstances are limited and in general it can be concluded that the Mississippi port cluster is relatively weaker than the Rotterdam and the Durban port cluster.

**Rotterdam** port cluster strengths are the diversity of cluster companies, presence of customers and suppliers, mutual co-operation, and active knowledge sharing among cluster companies. The main disadvantages are relatively low internal competition and barriers to entry. Just a few years ago port of Rotterdam began to pay attention to the internal promotion of competition, and it is expected that in the next few years, the level of competition in the port is likely to increase. In turn, high land and office space/warehouse rents are significant barriers for port cluster entry. In general, Rotterdam port cluster is competitive and there is a mutual synergy within the cluster.

**Durban** port cluster has several distinctive characteristic advantages – a variety of cluster companies, presence of customers and suppliers, sharing of knowledge and level of mutual trust. Almost all measures in the Durban port cluster surpass the other port clusters and generally are more competitive than Rotterdam, Mississippi and the Riga port clusters. Evaluating cluster activities in the port of Durban, one deficiency can be noted – internal competition level is relatively low, which is partly due to the small number of stevedoring companies at the port.

**Riga** port cluster is significantly lagging behind compared with all the other clusters included in the study in almost all of the indicators. The study results indicate that the Riga port cluster's only advantage can be considered an intense internal competition, which can also have negative side effects. The Riga port cluster has a series of weaknesses that weaken the synergy effect of the cluster – a low level of trust, poor knowledge exchange and mutual co-operation, entry and exit barriers and a lack of business diversity, customer and supplier presence in a cluster.



Assessing the presence of factors affecting the port clusters, the selected port cluster strengths and weaknesses were analysed (See Table 2). The comparison of the research results of the Riga port cluster with port clusters from other countries provides a more comprehensive insight into the port cluster operations and the key factors influencing it.

**Table 2 Strengths and weaknesses of the port clusters**

Port cluster	Strengths	Weaknesses
Mississippi	<ul style="list-style-type: none"> <li>• Internal competition</li> <li>• Skilled Labour</li> <li>• The level of trust</li> <li>• Knowledge sharing</li> </ul>	<ul style="list-style-type: none"> <li>• Mutual cooperation</li> <li>• Entry and exit barriers</li> <li>• Presence of customers and suppliers</li> </ul>
Rotterdam	<ul style="list-style-type: none"> <li>• Presence of customers and suppliers</li> <li>• Business Diversity</li> <li>• Knowledge sharing</li> <li>• Mutual cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• Internal competition</li> <li>• Entry barriers</li> </ul>
Durban	<ul style="list-style-type: none"> <li>• The level of trust</li> <li>• Presence of customers and suppliers</li> <li>• Business Diversity</li> <li>• Knowledge sharing</li> <li>• Skilled Labour</li> </ul>	<ul style="list-style-type: none"> <li>• Internal competition</li> </ul>
Riga	<ul style="list-style-type: none"> <li>• Internal competition</li> </ul>	<ul style="list-style-type: none"> <li>• Knowledge sharing</li> <li>• Entry and exit barriers</li> <li>• The level of trust</li> <li>• Presence of customers and suppliers</li> <li>• Business Diversity</li> </ul>

Data source: developed by the author, partly using P.De Langen (2004).

*Note: Information about Rotterdam, Mississippi and Durban ports from the study of De Langen.*

Since the port cluster is an important part of the entire national economy, but its place and contribution to the overall economic development currently is not set, the author has developed a method to determine the Riga port cluster's place and its impact on the national economy. The methodology is based on the idea, that by using the available information from CSBL and Register of Enterprises, it is possible to calculate the total turnover of the port cluster, added value and employment in order to better evaluate its performance and overall impact on the national economy. It should be noted that at the present stage of the research, when there is

no precise data available on the average values of the cluster activities in the separate districts and regions, in practical calculation they have been replaced with the national average for a given activity. Thus, the obtained results are mainly indicative; however they provide a fairly clear picture of the overall situation.

Total, turnover of the companies in the cluster ( $AK$ ) is calculated as follows:

$$AK = \sum_{i=1}^{11} \left( \frac{AV_i}{UV_i} \right) \times UK_i, \quad (2)$$

where

$i = 1, 2, \dots, 11$  – port cluster economic activities,

$AV_i$  –  $i$ -economic activity turnover totals in the country,

$UV_i$  – with  $i$ -economic activity of related companies in the country,

$UK_i$  – with  $i$ -economic activity of related companies in the port cluster.

Total added value of the companies in the cluster ( $PVK$ ) is calculated as follows:

$$PVK = \sum_{i=1}^{11} \left( \frac{PV_i}{UV_i} \right) \times UK_i, \quad (3)$$

where

$i = 1, 2, \dots, 11$  – port cluster economic activities,

$PV_i$  –  $i$ -total added values of economic activities in the country,

$UV_i$  – with  $i$ -economic activity related companies in the country,

$UK_i$  – with  $i$ -economic activity related companies in port cluster.

Total number of employees in companies in the cluster ( $NK$ ) is calculated as follows:

$$NK = \sum_{i=1}^{11} \left( \frac{NV_i}{UV_i} \right) \times UK_i, \quad (4)$$

where

$i = 1, 2, \dots, 11$  – port cluster economic activities,

$NV_i$  – the total number of employees in  $i$ -economic activity in the county,

$UV_i$  – with  $i$ -economic activity related companies in the country,

$UK_i$  – with  $i$ -economic activity related companies in port cluster.

Given that most of the economic activities in the port cluster are related to the port stevedoring company activities, the author raises the question of the impact of the activities of stevedoring companies to other activities included in the cluster. For this purpose, a multiplier approach is being

used when creating turnover added value and employment multipliers, which can be calculated by the following general formulas:

$$SKAM = \frac{(KUKA - SKKA)}{SKKA}, \quad (5)$$

where

*SKAM* – turnover multipliers of stevedoring companies,

*KUKA* – total turnover of cluster companies,

*SKKA* – total turnover of stevedoring companies.

$$SKPVM = \frac{(KUKPV - SKKPV)}{SKKPV}, \quad (6)$$

where

*SKPVM* – added value multipliers of the stevedoring companies,

*KUKPV* – total added value of cluster companies,

*SKKPV* – total added value of stevedoring companies.

$$SKNM = \frac{(KUKN - SKKN)}{SKKN}, \quad (7)$$

where

*SKNM* – employment multipliers of the stevedoring companies,

*KUKN* – total employment of cluster companies,

*SKKN* – total employment of stevedoring companies.

During the study the author experimentally calculated the above mentioned parameters, providing a broader look at the Riga port cluster operation, its impact on the national economy, as well as evaluating its future directions of development (See Table 3).

As the calculations show, stevedoring company turnover of one LVL generates turnover of 14 LVL for other cluster companies. From stevedoring company activity, most of the benefits are gained by the transport and logistics companies; respectively, the multiplier effect is 5.2 and 6.2. On the other hand, the least impact of the cluster stevedoring companies is on the manufacturing companies – stevedoring company turnover of one LVL generates turnover of 0.4 LVL. This can be explained by the fact that the transport and logistics industries are closely connected to the cargo handled in the port for further transport or storage, thus creating a single transport supply chain. In turn, port activity is directly connected with only a few commercial and industrial activities, which deal with a relatively small number of companies with less significant role in the Riga port cluster.

**Table 3** Multiplier effect of the stevedoring companies on the cluster industries

Type of the business	Turnover	Added value	Number of employees
Transport	5.2	3.7	5.94
Logistics	6.2	1.7	2.46
Production	0.4	0.3	0.7
Marketing	1.9	0.7	0.8
<b>TOTAL</b>	<b>13.7</b>	<b>6.4</b>	<b>9.9</b>

Data source: developed by the author

The stevedoring companies' added value of one LVL generates turnover of 6.4 LVL for other cluster companies. As with turnover, added value in terms of stevedoring company operations most of the benefits are gained by the transport and logistics companies, where the multiplier effect amounts to 3.7 and 1.7. Stevedoring company activity generates employment in other cluster companies. This effect is also well described by the multiplicative model – one working place in one stevedoring company generates almost ten jobs in other cluster companies. Most of the jobs are created in the transport sector – almost 6 and 2.46 in logistics.

In total, port cluster companies generate about 2.15 billion LVL in turnover and 450 million LVL of added value, or about 2.6% of the total added value generated in the country. While the total number of employees is more than twenty-five thousand people.

Using the benefits of a cluster environment it can gain a positive impact on the activities of the Freeport of Riga, promoting the growth of the key factors of port development. Carrying out an impact analysis of basic factors, results from the study in the Riga port were used; the research results that were obtained by carrying out performance analysis of various national port clusters. The main factors affecting the growth of the port, which can contribute to the development of the environmental benefits of the cluster, are:

- Brand of the port.
- The degree of integration of different services and activities.
- Integration with transportation nodes.
- Safety and environmental protection.
- Quality of the different port services.
- Innovation and development of technology.
- Cost-effectiveness and investment.
- The labour force training.

Establishment of formalised cluster organisation would promote more rapid development of the Riga port cluster from many of the above mentioned aspects. The experience of foreign ports has shown that cluster

organisation can combine a large number of port-related companies and get involved in dealing with important issues regarding the development of the port. The study results in Riga port indicate that the port companies are partially aware of the advantages of cluster environment; however they show no initiative to promote the establishment of a cluster organisation. Greater support for the establishment of a cluster organisation comes from small and medium-sized companies. Partial involvement of the Freeport of Riga administration in the formation of a port cluster organisation could help to improve the degree of mutual trust between port companies and motivate them to participate in cluster activities.

## **Conclusions**

1. The synergy level in the Riga port cluster is low because of lack of trust between port companies. High internal competition is one of the reasons why level of trust is so low. Co-operation with governmental and educational institutions is not a systematic and common experience in the Riga port cluster. There is a very low synergy level between entrepreneurs and educational institutions, which may result to lower number of innovations and qualification of workforce.
2. In general, entrepreneurs agree that a port cluster may increase competitiveness of the company and overall social responsibility level. However, a minor number of the entrepreneurs are ready to be actively involved in cluster initiative as founders.
3. Higher synergy levels in the Riga port cluster can create tangible benefits for cluster members:
  - Companies can operate with a higher level of efficiency and increase competitiveness;
  - Companies and educational institutions can achieve higher level of innovation and train a more qualified workforce;
  - Dialogue between companies and governmental institutions will improve and more focused and economic development policies favourable for entrepreneurs may be developed.
  - Level of trust is increasing within the cluster at same time reducing the costs of failure.
4. Comparing the results of the study in the Riga port cluster with port clusters (Rotterdam, Mississippi, Durban) in other countries, it can be concluded that the internal level of competition in the Riga port cluster is higher than in the rest of the port clusters, which is largely explained by the relatively high number of the stevedoring companies in Riga port regarding their total turnover and added value. On average, one stevedoring company in Riga port tranships from 6 to 10 times less

cargo than other ports, thus the stevedoring service industry in Riga port is very fragmented and assessing it at an international level it consists of a number of relatively small stevedoring companies whose limited power and capacity hinder their development. This and an incompletely developed infrastructure in the Riga port are key factors that impede a faster cargo flow, thus limiting the ability to attract new cargo in the port.

5. Knowledge sharing and mutual co-operation between Riga port cluster companies are at a lower level than in other analysed port clusters. Assessment from the point of port cluster activity dimension shows that Riga port cluster is the weakest of all the port clusters included in the study and therefore the opportunities to acquire synergy from mutual co-operation are limited. Rotterdam and Durban port clusters have the most strength, their members have strong ties and the cluster environment contributes to their competitiveness.
6. The establishment of formalised cluster organisations positively affects the activity of a port cluster, it improves the co-ordination and management of the cluster. This is also confirmed by the examples of Rotterdam, Antwerp and Hamburg ports, with established cluster organisations.
7. The borders of the Riga port cluster extend beyond the borders of Riga port and include the city of Riga and seven surrounding districts. The main business activities in the Riga port cluster are cargo loading and unloading, transportation, logistics, manufacturing and marketing. Overall, Riga port cluster companies generate 2.6% of the added value created in the country, thus confirming the importance of the cluster performance on the national economy.
8. The activity of the port stevedoring companies directly affects other companies within the port cluster. The impact of stevedoring companies on the rest of the cluster business turnover, added value and employment, can be described through the multiplier effect, which approximately can be calculated using the provided experimental multiplier model developed by the author. Calculations show that the stevedoring company activity mostly affects transport and logistics cluster companies, while the impact on production and trade companies are significantly smaller.
9. The establishment of a formalised cluster organisation in the Riga port cluster would promote the growth of significant factors and overall development of the port. The main areas of co-operation are port brand development, labour training, infrastructure development, mutual integration and increasing the level of trust. The successful implementation of these activities would enable increased efficiency and competitiveness of Riga port in the Baltic Sea region.

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# THE SOCIOECONOMIC IMPACT OF ECONOMIC FREEDOM

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## **Abstract**

Regarding economic freedom, research shows that although it has its negative effects, especially in a shorter term, e.g., the phase of increasing inequality, overall trends are indicative that countries with higher levels of economic freedom have not only higher gross domestic product per capita and its growth rates, but also have better health care, education system, environment protection, as well as greater income equality, and maybe above all, happiness results. These trends of increasing prosperity with augmenting economic freedom are confirmed even when one compares these results within the territories of countries.

**Keywords:** Socioeconomic impact of economic freedom; development through economic freedom; the Index of Economic Freedom

## **Introduction**

In our increasingly globalised economy, global competitiveness of countries becomes only more and more important. Not surprisingly this matter gets appropriately more attention from national countries, researchers and their represented institutions and organisations, as well as from others concerned about the topic.

Countries, in order to maintain their competitiveness in the global economy, devote significant resources for analysing it and taking the proper steps for necessary improvements, which usually have to take mid-term and long-term policy planning. Researchers with their represented institutions and organisations have put a great effort to establish methodologies to evaluate competitiveness of countries, despite its complicated nature.

Nevertheless, in spite of a huge criticism these indexes often get, also largely due to different misunderstandings about their role and goals, generally overall trends show that the same countries earn the same places from index to index, which are also in accordance with their relative wealth and quality of life, when used in comparison with other countries. To a large extent, based on the free market capitalism philosophy of the 18<sup>th</sup> century Scottish philosopher and economist Adams Smith, one of the means that serves to evaluate economic competitiveness of countries is to assess an extent of its economic freedom.

The aim of this article is to investigate how economic freedom affects socioeconomic conditions, not focusing only on the gross domestic product growth, but taking a wider approach and comparing a standard of living according to a level of economic freedom in countries.

To achieve this aim a number of tasks were set. These tasks in the order of sequence are following:

- Review of literature on competitiveness and economic freedom
- Find economic reasoning for economic freedom and its composing components
- Examine the Index of Economic Freedom and other indices measuring economic freedom
- Investigate how economic freedom has affected socioeconomic conditions in countries according to a level of economic freedom

To achieve the above-mentioned tasks, mainly descriptive, analytical and comparative methods were used.

Accordingly, to evaluate how economic freedom affects socioeconomic conditions, remainder of this article is structured as follows. Section 1 provides brief review of literature about this topic, section 2 covers the Index of Economic Freedom and other indices measuring economic freedom, section 3 explains the reasoning for economic freedom and its components, section 4 looks at socioeconomic benefits from economic freedom, finally the last section looks at conclusions and interpretations derived from this article.

## **1 Brief review of the literature**

Depending on the context in which competitiveness is being described, definitions also differ on it. Given that in this article competitiveness is looked at in the context of national competitiveness, the author went through some of the definitions that exist for explaining it.

Some of the most prominent researchers on competitiveness, Mercedes Delgado, Christian Ketels, Michael Porter and Scott Stern, in their joint research about the national competitiveness defining factors also accentuate that the national competitiveness definition are very different, depending on the point of focus. Some equate competitiveness with ability to achieve certain overall outcomes, such as a high standard of living and economic growth. Other definitions focus on ability to achieve specific economic outcomes such as job creation, exports, or FDI. Yet other definitions see competitiveness as defined by specific local conditions such as low wages, stable unit labour costs, a balanced budget, or a competitive exchange rate to support the current account surplus (Delgado et al., 2012).

Possibly the most well-known researcher of competitiveness, Harvard University professor Michael Porter, on the matter of national competitiveness has said that a nation's prosperity depends on its competitiveness, which is based on the productivity with which it produces goods and services. Sound macroeconomic policies and stable political and legal institutions are necessary but not sufficient conditions to ensure a prosperous economy. Competitiveness is rooted in a nation's microeconomic fundamentals – the sophistication of company operations and strategies and the quality of the microeconomic business environment in which companies compete. An understanding of the microeconomic foundations of competitiveness is fundamental to national economic policy (Porter, 2014).

Looking from this perspective, competitiveness becomes strongly jointed with productivity. There is a wide belief that productiveness is one of the central aspects to explain differences in wealth of the nations, backed up by numerous research.

Such structural policy documents as the Growth Agenda, published by the Organization for Economic Co-operation and Development (OECD, 2005) and the European Commission 2020 strategy (EC, 2010), are largely based on competitiveness enhancing activities, which promote productivity.

Largely based on the already mentioned 18<sup>th</sup> century philosopher and economist Adams Smith's belief regarding benefits of the free market, which were already published in the year 1776, well before the industrial revolution, in his famous book "An Inquiry into the Nature and Causes of the Wealth of Nations," competitiveness is looked upon from a standpoint of economic freedom. In the years that followed, it has been backed up by countless research, showing a contribution of economic freedom to the wealth of nations.

In the era of mercantile economic thinking, Smith came up with totally revolutionary and novel ideas. He argued that regulation of commerce is unproductive, hindering people from investing their own resources into actions where they see the best economic use of it. By not developing free trade and competition, introducing tariffs, establishing monopolies and subsidy systems, consumers eventually are forced to pay a bigger price than they would under free competition conditions.

Given these reasons, Smith believed that a state role should be limited, in order to not distort the free market economy. Its biggest role is to ensure external and internal safety of a state, the rule of law, development of infrastructure and promotion of education. That of course can be done through taxation, which Smith doesn't deny, but at the same time putting emphasis that a level of taxation should be at a level that citizens can afford. However, he would still oppose taxation of capital, because availability of capital is one of productivity pillars.

Concerning productivity, Smith also believed that for productivity work specialisation is critical, which through economic profit making leads to accumulation of capital, which in turn allows investment in even more productive equipment and processes.

Many of our contemporary economists have also tried to explain the concept of economic freedom. Definitions of this concept also vary, just like for the concept of competitiveness, nevertheless, the common thing here is that they all put an emphasis on principles of free market trade and private property rights.

Such economists as Lawrence McQuillan, Michael Maloney, Eric Daniels and Brent Eastwood, who in the past themselves have introduced an index of economic freedom for the US, describe economic freedom as the right of individuals to pursue their interests through the voluntary exchange of property, which is subordinate to the rule of law. It is this kind of economic freedom that lays sound foundations for an economy. Economic freedom under minimal state interference, in order to ensure safety and reliability of a legislative basis, judicial or court rules, are critically important, because otherwise it would only serve as a hindrance for economic freedom. State rules that ensure these rights promote economic freedom.

Nevertheless, there are researchers that cast doubt on the special merits of economic freedom in the global economy. One of the most prominent of them is Paul Krugman. He argues that when one compares countries, the level of productivity is the thing that really matters, not competitiveness measures, because countries don't compete with each other in any relevant manner and focusing on competitiveness leads only to destructive state policies.

One can agree to such a statement only partially. As previously stated, undoubtedly there is a correlation between competitiveness and productivity improvements, taking this into consideration, it wouldn't be right for countries not to compare their competitiveness against other economies in this era of continually increasing globalisation, where economies co-operate and at the same time compete with their goods and services in the global market. The words of the 17<sup>th</sup> century Japanese Buddhist Samurai Miyamoto Musashi, that it is hard to understand the Universe by exploring only one planet, fit in here very well.

Krugman is also critical about economic freedom, he associates it with a dominance of foreign companies in countries, which for various reasons are in lower stages of economic development, and which given their advantage of the level of accumulated capital makes it easy for them to takeover local businesses. That becomes especially evident in times of periodical economic crisis, which in turn are often stimulated by asset bubbles that are in part caused by influx of investment.

Also in cases of full capital liberalisation, in underdeveloped countries often short term speculative investments evolve which without sufficiently effective regulatory framework can provoke distress of a financial system (Stiglitz, 2000). However, in the case of foreign direct investment, risks are not as high, given that capital can't flow away just as swiftly.

Looking from the socioeconomic point of view, another negative aspect of increasing economic freedom in developing economies is that countries have to go through the phase of increasing inequality (Berggren, 2003), which basically is a result of decreased redistribution.

These of course are not the only negative effects on societies from economic freedom or liberalisation, the author himself, for example, can add things like running local enterprises out of business, takeover of competitive firms, enforcing of interests of foreign companies, dependence on foreign capital, deteriorating work rights, harmful manufacturing for the environment, introducing of commercial practices that are not favourable for consumers, as well as endangerment for survival of national cultures.

All these arguments about the negative side effects of economic freedom, from cross-border trade and investments dependent world capitalism (EC, 2013), are very strong. Nevertheless in a shorter term, the negative impact of economic freedom is outweighed by its positive impact in a longer term, as countless studies have shown. Economic openness and competitiveness is especially critical for small economies that can't build their prosperity on valuable natural resources like for example Persian Gulf countries, or even on historically accumulated capital, like, for example, Scandinavian countries. As a good example here could serve highly educated Baltic nations with very high work ethics, which given their tough historic legacy regaining independence from the Soviet Union, had to objectively go through many phases of economic development to reach a level of wealthy countries. Regarding the Scandinavian countries, it is important to note that Norway has built its economic prosperity largely thanks to an abundance of natural resources that it possesses.

Another big factor here is that despite the fact that improvements in competitiveness indices or economic freedom do not automatically mean greater output, it plays a substantial role in creating a positive image about an economy, which again is important for the attraction of FDI (Berger and Bristow, 2009). That alone means that it is worthwhile for countries to pay some attention to these widely disputed indices.

## 2 The Index of Economic Freedom and other Indexes Measuring Economic Freedom

The Index of Economic Freedom by the Heritage Foundation and The Wall Street Journal has been published annually since 1995. In the first report of economic freedom 101 countries were included; currently it already covers 186 countries, including even the least free country in the world – North Korea. That is possible given to methodology of the index, which doesn't require direct involvement of countries to evaluate their level of economic freedom.

The authors of the index approach competitiveness through economic freedom, which according to them is the most important precondition of competitiveness. The less countries are regulated by their governments, enhancing economic freedom, the more competitive and wealthier they will be. Economic freedom is defined as the core right of individuals to manage their own work and property. In an economically free society individuals are free to work, produce, consume and invest as they like, economically free countries let workforce, capital and goods move freely, abstaining from interference and restrictions more than it is necessary for ensuring freedom as such. (The Heritage Foundation, 2014; Vanags, 2005).

The Index of Economic Freedom methodology is based on 10 components composing economic freedom, which all are grouped in 4 pillars where countries perform some kind of regulating functions:

- Rule of Law (property rights, freedom from corruption)
- Limited Government (fiscal freedom, government spending)
- Regulatory Efficiency (business freedom, labour freedom, monetary freedom)
- Open Markets (trade freedom, investment freedom, financial freedom)

In order to achieve a comprehensive enough outlook in these four categories of economic freedom, index evaluates all 10 components on a scale from 0 to 100. All 10 components are weighted equally, given that there hasn't been conclusive evidence about which of them play bigger or lesser role in ensuring economic freedom (Gwartney and Lawson, 2003), as well as for enhancement of economic prosperity (Diaz-Casero et al., 2012; Carlsson and Lundstrom, 2001; Heckelmann and Stoup, 2000), giving both surprising and contradictory results, e.g., that trade freedom is not an important factor for the growth, which is contrary not only to countless other research, but also to contemporary mainstream teachings about benefits from the free market trade.

Like other indices measuring economic competitiveness and freedom, this index also is not ideal and perfect to explain the whole complexity of the subject. Authors of the index admit it themselves, stressing that it has

never been their goal. Rather their goal is to give data for exploration of interconnections that exist regarding this matter.

For example, the famous American economist Jeffrey Sachs in his book "The End of Poverty: Economic Possibilities of Our Time" has shown that a correlation between economic freedom and GDP growth doesn't always exist. That was illustrated by comparing, despite their high economic freedom scores, sluggish economic growth results presenting in Switzerland and Uruguay with China, which despite its relatively low scores of economic freedom experienced unprecedented economic growth (Sachs, 2005). The same truth, that improvements in economic freedom don't necessarily mean higher economic growth, has been produced by other research as well (The Left Business Observer, 2005).

For a sake of objective index advocacy, one needs to remember that the authors of the index are not attempting to explain every case of economic growth, since the science of economics is very complex and many other factors come into the equation to explain economic growth, like in this instance Chinese comparative advantage of using economies of scale. Also one has to keep in mind dynamic and static growth factors. Countries like China, which are in the dynamic growth phase, have higher GDP growth potential than countries like Switzerland, which is in the static growth phase. One has to keep this in mind when looking at other indices of competitiveness as well, when trying to explain economic growth.

The shortages of The Index of Economic Freedom have been investigated by the Austrian Ludwig von Mises institute researcher Stefan Karlsson, showing a number of deficiencies in its methodology and components, and their choice as such. The IEF has been heavily criticised by state officials as well (The Business Intelligence, 2008), casting doubt on some of appraisals by contradicting them with appraisals in other indices and surveys. Another common criticism that the index receives is that given their authors, representing the Heritage Foundation and The Wall Street Journal, they are openly lobbying interests of the private sector. Also this index gathers its information to give appraisals for various components pretty much only from US institutions or international organisations that are based in that country.

Without the already reviewed Index of Economic Freedom, published by the Heritage Foundation and The Wall Street Journal, currently exist and before have existed several other indices to measure economic freedom. The other from the most well-known indices that measure this matter is the Economic Freedom of the World index, established by the Canadian based Fraser Institute (Gwartney and Lawson, 2013), and by its structure being very similar to The Index of Economic Freedom, not surprisingly giving also very similar scores. (Hanke and Walters, 1997). The EFW report

has been already published since the year 1980, in difference from the IEF, it is using more quantifiable data (Gwartney and Lawson, 2003), and mostly information from third parties, i.e., mainly from international organisations. At the current moment it compares economic freedom data about 152 countries, which is less than that covered in the IEF.

The authors of the EFW define economic freedom as the right of individuals to have personal choice, voluntary exchange, freedom to compete, as well as personal and property safety. When economic freedom exists, choice of people will decide what goods and services will be produced. Clearly, people will take part in exchanges that are beneficial for both sides. Personal property is the foundation for economic freedom, for that reason individuals have the right to choose how they will use their time and skills, and at the same time they don't have a right regarding the time, skills and resources of others, meaning that they don't have the right to demand from others (Gwartney and Lawson, 2003).

The index itself consists from 42 factors, which are divided into 5 economic freedom pillars – 1) Size of Government; 2) Legal Structure and Security of Property Rights; 3) Sound Money; 4) Freedom to Trade with Foreigners; and 5) Regulation of Credit, Labour, and Business.

Just like in the case of the IEF, the EFW also counts all the component scores together to later obtain the average score, not putting any additional weight on any of the components or factors.

Not gaining very big publicity, without these two, other indices to measure economic freedom exist, measuring it globally, as well as in cases of larger countries, measuring it on a national scale. For example, without the already mentioned, in North America used indices, two indices have been used to measure the level of economic freedom in India, in one of them using the methodology obtained from the Fraser Institute.

### **3 Economic Reasoning for Economic Freedom and its Components**

A vital positive impact of economic freedom for the economic growth, thus enabling gradually to improve socioeconomic conditions for people, has been proved by a wide number of empirical surveys (Kim, 2014, Berggren, 2003, De Haan and Sturm, 2000, among others). However opinions differ whether economic freedom explains economic growth in an initial stage of economic development, many researches show that its positive contribution can be felt only at latter stages and in a longer term. Also importantly enough, by comparing the Index of Economic Freedom data, growth follows after improvements in economic freedom (Heckelman, 2000), not vice versa, preceding it.



This growth in many ways can be explained thanks to the positive contribution of economic freedom in attracting foreign direct investment (Choong, 2010), which is very important for productivity improvement, which as well basically means improvement in competitiveness, giving greater opportunity for growth. This eventually allows raising of capital savings that can be used to invest in further productivity enhancing activities.

Though, here one has to remember that the attraction of the FDI doesn't automatically guarantee economic growth (Azman-Saini et al., 2010). By attracting these investments, very important is the level of economic freedom, since it allows a better absorption of the benefits from presence of multinational corporations, that is, transfer of technologies and processes, raising of workforce qualification, arising economic opportunities from global value chains, reorientation from raw materials producing country to final product manufacturing country and number of other positive contributions for economic development. Results show that in countries where economic freedom is higher, the positive effect from the FDI is higher than in countries with lesser extent of it.

As noted earlier, the methodologies and components of the both most well-known indices of economic freedom are very similar, thus giving very similar results. (Hanke and Walters, 1997). For that reason the author, becoming acquainted with the reasoning of component choice for the IEF and the EFW (Miller and Kim, 2011, Gwartney and Lawson, 2003), which basically relies on the famous Scottish philosopher and economist Adams Smith's teachings about the free market principles, as well as on work of other scientists, has summarised why these particular components have been chosen for measuring the economic freedom, at the same time looking at the scientific reasoning for their necessity to achieve economic prosperity.

The property rights component is important for economic freedom given that obtaining of property is one of the main motivating incentives for people to become involved in economic or intellectual activities. If a physical or legal person can't be sure about an ability to manage their produced property or resources, it will diminish that person's motivation to put effort and resources to acquire it, in the case of both, material and intellectual property. In order for a person to feel safe about his property, there is a need for appropriate legislation, which has to be both introduced and implemented, and thoroughly transparent, independent, honest, and accessible for everyone in a judicial system. It is not only important from economic point of view, but also from a standpoint of human rights. Also very important is that a court system offers equal rights, no matter from which country one comes, which becomes even more important in an

increasingly globalised economy, given how crucial it is for the attraction of foreign resources.

Importance of this component has been proven by various surveys. For example, it has been shown that growth in countries with strong property rights, when compared with countries where property rights are weak, is twice as high (Weimer, 1997). It is widely believed that one of the reasons that doesn't let African countries to fully develop is the lack of appropriate property rights system like in the Western world (De Soto, 2003). By comparing the results of the former Soviet Union occupied countries and their satellite countries in Eastern Europe, these results show that weak intellectual property rights protection scares away potential investors in technologically intensive sectors, impeding takeover of the benefits associated from presence of multinational corporations, in the best case scenario involving in projects that deal with production distribution, not manufacturing (Javorcik, 2004).

The freedom from corruption component is important for economic freedom since corruption wastes state resources, by circumventing principles of competition and effectiveness. Besides, corruption doesn't end with plain bribery and bribe-taking to achieve some certain favourable outcome, it comes in various shapes and forms, such as embezzlement, extortion, nepotism etc. As a consequence of all these actions narrow groups of people obtain privileges at expense of others, and eventually at expense of a society as a whole. Threats of corruption are especially acute in economically and politically unfree and constrained countries, where private initiatives have limited opportunities to acquire resources, giving large authority and power in the hands of state officials to acquire them. If this environment is supplemented by low levels of transparency, which usually is the case, it brings very fertile ground for corruption.

Significance of the freedom from corruption component inclusion has been justified by a wide number of surveys, showing its negative role on economies. It has been discovered that one standard point deterioration in the corruption index, lowers investments at the rate of 2.46%, which in turn diminishes growth by 0.34 % (Pellegrini and Gerlagh, 2004). That in turn decreases absolute public expenditure, including in such important fields for long-term economic development as education and infrastructure (Mauro, 1997). Also, for example, it has been shown that the risk of corruption becomes more acute in countries where there are more than 50 days necessary to register commencing of a business (Dreher, 2013), signifying deficiencies in a state regulatory environment and giving incentives to accelerate juridical registering of an enterprise with bribes or not registering it at all, possibly adding an even more negative impact to a well-being and safety of a society.

The government expenditures component has been included in the measuring of economic freedom given that too large government share of the gross domestic product impedes private initiative, and with that productivity, which arises as a result of competition. However, a positive effect from state expenditures that promote quality of infrastructure, education, the rule of law, etc., is acknowledged, where through means of free market forces it is not possible to obtain the best outcome, and which eventually supports growth and efficiency in the private sector. From a fundamental economic freedom point of view argument the larger the share of countries resources go through a state budget, the lesser is the economic freedom of a society, which in turn raises many risks from a political and civil freedom perspective.

Another of the government size pillars is the fiscal freedom component, which has very similar reasoning as the government size component, namely, that state interference in free market economy with too large taxation level hinders economic growth, not only decreasing motivation for a society to involve in commerce, but also impeding productivity and growth, since increasing an overall tax burden, decreases entrepreneurship encouraging consumption and lowers an amount of total capital that can be reinvested back into economic development. From a fundamental economic freedom point of view, a government by levying taxes on earned income from one part of society, to later transfer it to another part of society, restricts the economic freedom of people.

Given that both of these government size components are hard to separate from one another, the results of empirical surveys regarding them were approached together. Although the inclusion of these components for achieving economic prosperity can be the most disputable of all, just by primitively looking at the bottom and top of scores in these components, where according to the methodology of The Index of Economic Freedom one can see that the very lowest scores have been received by countries that are relatively very prosperous, and the highest scores have been earned by countries that are relatively poor. Nevertheless, research shows that an oversized government role in its economy decreases economic activity (Diaz-Casero et al., 2012), thus negatively impacting growth (Bergh and Karlsson, 2010), followed by increasing unemployment (Feldmann, 2006). Although regarding growth, it has been mentioned that countries through properly functioning institutions can diminish the negative effect from taxation on enterprises, or even eventually gain from it through successful redistribution, promoting economic growth in a longer term, thus positively affecting economic growth and employment.

The business freedom component is important for economic freedom given that excessive regulatory rules for business impede its development,

consuming resources, which in turn lower productivity. In a case of too complicated and difficult regulatory requirements, in relation to various kind of economic activity, many malign risks for an economy come in, for example, in the public sector it increases the risk of corruption, given that incentives for corruption arise, but in the private sector it increases the size of the unregistered shadow economy, given that it becomes much easier to not register economic activity at all.

Importance of business freedom is proved by vast amounts of literature. One researches shows that by improving national positions in the Doing Business index from the lowest performing quartile to the highest performing, on average, gives 2.3 % better annual gross domestic product growth (Djankov, 2006), giving even a larger positive effect for economic growth than increasing a number of pupils that have received the basic and high school education. Summarising a complex insolvency factor influence, there is a wide consensus that well-functioning insolvency systems affect positively economic dynamism in the private sector (Klapper, 2011), through a faster return of funds, saving businesses, accessibility of funds and other factors. Another of the business freedom composing indicators – dealing with construction permits, is not only important for a safety of people, given that excessive requirements enhance overlooking of rules (Moullier, 2009), but also from an economic point of view, for example, attracting foreign direct investment, which advances an economy.

Labour freedom is important for economic freedom given that the labour force market in its essence is just like other markets of resources, and just like in any other market, artificial regulating of it through means of setting minimum wages, centralised salary setting, hiring and dismissal conditions, unemployment allowances and other regulations, which are not based on the principles of free market exchange, are not desirable for the productivity and development of an economy. From a fundamental economic freedom standpoint people have a right to work where and how much they like, if not, their economic freedom is restricted.

This component has been justified by various surveys. It has been shown that excessive workforce market regulation decreases employment and increases unemployment, both in Europe (Munkhammar, 2011), and in OECD member countries as a whole (Siebert, 1997). In the case of Europe this is very important given the trends of globalisation and ageing population. Besides the fact that excessive workforce regulation hinders the attraction of foreign direct investment, it is also significant that in the case of successfully attracting them, a movement from an enterprise where new knowledge has been acquired to a local enterprise is more difficult, making knowledge transfer from multinational corporations troublesome

(Fosfuri, 2001), which is not a positive thing for development of on knowledge based economy.

Monetary freedom is important for economic freedom given that money is an instrument of value exchange and accumulation, which with inflation loses its value, taking away an incentive for a person to acquire it. If inflation is not constrained and is too high, it makes long term planning harder, raising expenses, distorting comparative prices, etc. A controlled and desirably low level of inflation allows better planning in a longer term, sustaining price stability, competitiveness, etc. Also there is a wide belief among liberal approach economists that price controls worsen market effectiveness and lead to deficits and shortages, as well as promoting inflation in a longer term. Thus, given these reasons direct or indirect price controls through various subsidies and state enterprises are not desirable.

Reasoning for the role of this component in achieving economic development can be found in vast amounts of literature. In one of them it is emphasised that monetary freedom is one of the most critical components for economic freedom (Ayal and Karras, 1998), which promotes accumulation of capital and growth, through successful containing of inflation and restricted role that state enterprises play in an economy. Through controlling of prices countries are taking away a motivation for persons to invest their resources in development of certain industries and satisfaction of their demand (Filson, 2007). In this way, as a result of restricted supply, it enhances a further increase of price for product or service, which in many cases may also eventually force economic activity into the shadow economy. Affecting of prices through state owned enterprises, which don't work on the principles of free market, is not welcomed (Filipovic, 2005), since it doesn't enhance, through investments, introduction of new technologies, processes, and structural reforms, which all are crucial for the productivity and competitiveness of an economy.

Trade freedom is one of the other critically important components for economic freedom, given that global trade is one of the main forces that allow the globalised economy to evolve. From a perspective of economic development the role of foreign trade can't be underestimated when one looks at its impact on productivity and competition, ensuring development through export and import of products and services. Export gives a chance to expand markets, use economies of scale advantages, widen capacity etc. Import gives a chance to access the most updated technology, most effective production equipment, cheapest resources, etc. Various restrictions through tariffs, quotas, export duties, non-tariff regulatory and technical barriers, or through total bans of trade, promote uncompetitive manufacturing, which serve as a hindrance for successful development of countries in a longer term. From a fundamental economic freedom point

of view, by denying a right of people to exchange with their products and services in international market, their economic freedom is restricted.

Positive contribution from trade freedom has been justified by countless research. For example, for every two new job places created in some European Union country, another is one is created in some other member country (Sousa, 2012), confirming significance of global trade for the well-being of nations. Here one can make parallels with the *iPhone* smartphones, which despite being designed in USA and assembled in China, through manufacturing of components most of its value obtains in enterprises in Japan, Germany, Korea (Xing and Detert, 2010), which in turn makes producers of these components to use products and services that are offered in other countries, thus globally creating new jobs and income, as well as a good quality product at accessible price for consumers. That again reminds one of the very significant contributions of imports to sustain competitiveness and productivity (Romer, 1990), through importing of raw materials, as well as importing of manufacturing equipment.

Investment freedom is significant for economic freedom given that it is one of the main ways to attract resources, which by flowing to the most attractive place promotes the creation of jobs, knowledge and experience transfer, the takeover of innovative processes and competitiveness of products and services. It is very important in the globalised economy to not put restrictions on the attraction of investments, especially in economies where for objective or subjective reasons a level of accumulated capital is low and there isn't substantial enough income per person from highly demanded valuable natural resources.

Importance of this component has been already outlined in the research, basically emphasising how vital it is for productivity and competitiveness, as a result of attracted new funds and knowledge for development. However given their inseparability to a very large extent, the significance of attracting investment will be discussed more when one looks at the only economic freedom component that hasn't been covered yet – financial freedom. In general, commonly accepted importance of investment climate can be even proved just by looking at how much resources countries devote for the attraction of investments (Dadush, 2013), for example, establishing one stop investment agencies or introducing many other different incentives of fiscal and financial nature, like tax discounts and state guarantees.

Financial freedom is crucial for economic freedom since it gives access to resources that can enable growth and development. The greater the competition and financial market development, the greater and more versatile opportunities to access financial resources, which give a chance to invest in development, for example, in material resources like manufacturing

equipment, or intangible resources like raising of qualification for workers, thus improving productivity and competitiveness. State interference in the financial sector is necessary only as much as to ensure transparency of financial institutions, so that market players can objectively make decisions about stability of a financial system and possible risks. From an economic freedom perspective, the state role should be limited, because when countries interfere in free competition in one way or another, for example, holding majority voting rights over some financial bank, the free market principles are distorted.

Significance of this component has been justified by empirical surveys (Alfaro et al., 2010; Alfaro et al., 2004), showing that access to outside resources is critically important for the taking over of the newest technology, and at the same time ensuring not losing the productivity competitiveness race. It has even been more important than the development level of human capital. However, one can assume that these things go hand in hand in obtaining the best possible outcome. Also supplementing the above mentioned, many researches have shown (Carkovic and Levine, 2003; Hermes and Lensink, 2000), among others, that both the banking sector and the stock market play a very important role in obtaining the positive spillovers associated with the foreign direct investment, and that in countries where the financial system is comparatively more developed they receive more of these positive spillovers than in countries where the financial system is less developed.

#### **4 Socioeconomic Impact of Economic Freedom**

The positive effect from economic freedom has been shown in the previous part of the article, however, the author believes that a majority of societies in the Western world are aware that a greater economic freedom generally means more investment attraction. Nevertheless, at the same time there is a widespread opinion that economic freedom lowers social economic prosperity. As shown previously, although it is really true that in the short term such an effect can be anticipated given market liberalisation for international competition and decrease in government share, in the long term a contrary effect happens. It is justified with numerous research (Berggren, 2003; Esposto and Zaleski, 1999; Roberts and Olson, 2013). Particularly the last of these mentioned works, by The Heritage Foundation researchers James Roberts and Ryan Olson, have made the largest contribution in investigating this matter, showing how greater economic freedom in general means better health care, education and environment quality.

For example, literacy is higher in countries where a higher level of economic freedom exists. It can be clearly seen when comparing the results of the Index of Economic Freedom report of the year 2013 (Miller and Holmes, 2013) with literacy results of countries in the United Nations Human Development index (United Nations, 2013). For countries that are in the highest quartile of the IEF, the number of literate individuals on every 100 is by 21 higher than in the both lowest quartiles. Even when compared with the 2<sup>nd</sup> quartile, the number of literate people in every 100 is by 10 persons better in the 1<sup>st</sup> quartile.

A similar relationship can be detected between the IEF results and the Organization for Economic Co-operation and Development (OECD) 15-year-old Program for International Students (PISA) pupil tests in math, reading and science (OECD, 2009). Outcomes show that in the field of education economically freer countries tend to have better scores in the average schooling years. Countries that are in the top quartile of economic freedom on average have 15 years of expected education duration; in contrast, for countries in the lowest quartile it will be only 11 years (Roberts and Olson, 2013).

To assess higher education quality, every year the U.S. News & World Report, with their own subjective methodology, evaluates the top 400 higher education establishments in the world (U.S. News & World, 2014). By calculating the average number of top 400 universities per 1 million inhabitants in a country, the results show convincingly that countries in the two highest quartiles have better scores in this area than those that are in the two lowest quartiles (Roberts and Olson, 2013). If in the IEF 1<sup>st</sup> quartile countries the average number of top 400 universities per 1 million inhabitants is 0.769, than in the 2<sup>nd</sup> quartile it is one quarter lower – 0.515, in the 3<sup>rd</sup> quartile it is two and a half times lower than in the 2<sup>nd</sup> quartile – 0.195, and finally in the 4<sup>th</sup> quartile it almost four times lower than in the 3<sup>rd</sup> quartile – 0.055.

Consequently, economically freer countries show much better results in the number of registered new patents annually (Roberts and Olson, 2013). Countries of the top IEF quartile have two and a half times more registered patents than all of the other countries combined.

Looking at another very important factor for human quality of life, i.e., health care, one can see a crucial contribution that economic freedom gives. For example, results show that economically freer countries show better results than economically less free countries in such important health care quality indicators as infant mortality rates, life expectancy, access to clean water and sanitation, availability of central sewerage, and in fighting HIV infection.



Even regarding environmental quality, countries with higher extent of economic freedom divert more attention and resources for preservation of environment than countries with lesser degree of economic freedom. To assess how much countries do for their environment the Environmental Performance Index is used (Yale University, 2014). As with health care quality indicators, here with the environmental quality again the tendency appears that countries with higher levels of economic freedom have significantly better results.

Interestingly enough, the overall scores for the Index of Economic Freedom and the overall scores for Environmental Performance Index kept steadily improving since the introduction of the latest in the year 2000 up until the year 2008, when the progress of these indices stopped and went into stagnation phase, again assuring conjunction between both of these indices and factors as such.

Finally, but certainly not the least, in general inhabitants of countries with a higher economic freedom tend to be happier than people in countries with less economic freedom (Gropper, 2011). This can be explained with the fact that economic freedom not only promotes economic prosperity, as shown previously in this paper, but as well with the fact that freedom of choice is indispensable for the happiness of human beings.

These kinds of benefits for a society can be seen even comparing quality of life within a country. For example, using the Economic Freedom of the World methodology, the Economic Freedom of North America is annually published (Stansel and McMahon, 2013), in which by comparing data from American states and Canadian provinces, dividing them in to four quartiles according to their state of economic freedom, a similar picture becomes apparent, where with every increasing quartile of economic freedom, a respective increase can be observed in overall levels of the gross domestic product per capita and its growth rates.

Similarly, using this methodology and dividing all 50 U.S. states into the 25 economically freest and in the 25 economically least free states (Davies and Teague, 2013), one can observe that the 25 freest states not only have better GDP per capita and growth results, but also post better results in employment, income equality, poverty reduction, population increase, net migration, and a number of newly registered companies, with lower taxation levels in addition.

## **Conclusions**

In our increasingly globalised economy, global competitiveness of countries, and the means to measure it, gains increasing significance, with national countries, institutions and researchers paying more and more

attention to it, by analysing it and devoting resources for the necessary improvements, which usually require mid-term and long-term policy planning.

One of the ways to measure economic competitiveness is by comparing the extent of economic freedom that countries have, which as surveys show can also largely explain differences in economic well-being across the world. Generally, countries with higher economic freedom have higher gross domestic product per capita and growth rates, as well as better health care, education quality, environment protection, income equality, and happiness results. These trends of increasing prosperity are confirmed even when one compares these indicators within territories of countries.

Nevertheless, despite these benefits, societies have to be aware that with increasing economic freedom they will have to face going through the phase of increasing inequality, which basically is a result of decreased redistribution, as well as other negative effects from economic liberalisation, i.e., running of local enterprises out of business, takeover of competitive firms, enforcing interests of foreign companies, dependence on foreign capital, deteriorating work rights, harmful manufacturing for environment, introducing of commercial practices that are not favourable for consumers, as well as endangerment for survival of national cultures.

However, on the bright side, these negative effects from economic freedom tend to be felt in a shorter term, and if countries use ensured opportunities of economic freedom in the increasingly globalised economy in a right way, as the research shows, their socioeconomic conditions will be significantly better than in the case of less economic freedom.

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