Figure 11. Lithuania, 1995

LYING BETWEEN EAST AND WEST, through six centuries Lithuania has endured and been devastated by the clash of interests between the Swedes, the French, and the Germans on the one side and the Russians on the other. Many generations of Lithuanians have had to rebuild after the destruction brought upon them as a result of East-West conflicts or domestic insurrections against Russia. Lithuanians also have been forced to take sides, although they have tried to assert their own will, especially in modern times.

Lithuania became independent in 1918, but in 1940 it was occupied and annexed by the Soviet Union. Soviet hegemony, which wreaked further devastation, lasted until 1991, when Lithuania once again achieved recognition as an independent state. The circumstances of the Soviet takeover and the refusal of the United States and other nations to recognize de jure Lithuania's forcible incorporation into the Soviet Union have distinguished Lithuania, as well as the neighboring states of Estonia and Latvia, from the other former Soviet republics in international law and politics throughout the postwar era.

Historical Setting

Early History

Lithuanians belong to the Baltic group of nations. Their ancestors moved to the Baltic region about 3000 B.C. from beyond the Volga region of central Russia. In Roman times, they traded amber with Rome and around A.D. 900–1000 split into different language groups, namely, Lithuanians, Prussians, Latvians, Semigallians, and others. The Prussians were conquered by the Teutonic Knights, and, ironically, the name "Prussia" was taken over by the conquerors, who destroyed or assimilated Prussia's original inhabitants. Other groups also died out or were assimilated by their neighbors. Only the Lithuanians and the Latvians survived the ravages of history.

Traditions of Lithuanian statehood date from the early Middle Ages. As a nation, Lithuania emerged about 1230 under the leadership of Duke Mindaugas. He united Lithuanian tribes to defend themselves against attacks by the Teutonic Knights, who had conquered the kindred tribes of Prussia and also parts of present-day Latvia. In 1251 Mindaugas accepted Latin Chris-

tianity, and in 1253 he became king. But his nobles disagreed with his policy of coexistence with the Teutonic Knights and with his search for access to western Europe. Mindaugas was killed, the monarchy was discontinued, and the country reverted to paganism. His successors looked for expansion toward the Slavic East. At that early stage of development, Lithuania had to face the historically recurring question dictated by its geopolitical position—whether to join western or eastern Europe.

At the end of the fourteenth century, Lithuania was already a large empire extending from the Baltic Sea to the shores of the Black Sea. Grand Duke Jogaila (r. 1377–81 and 1382–92) of the Gediminas Dynasty faced a problem similar to that faced by Mindaugas 150 years earlier: whether to look to the East or the West for political and cultural influences. Under pressure from the Teutonic Knights, Lithuania, a kingdom of Lithuanians and Slavs, pagans and Orthodox Christians, could no longer stand alone. Jogaila chose to open links to western Europe and to defeat the Teutonic Knights, who claimed that their mission was not to conquer the Lithuanians but to Christianize them. He was offered the crown of Poland, which he accepted in 1386. In return for the crown, Jogaila promised to Christianize Lithuania. He and his cousin Vytautas, who became Lithuania's grand duke, converted Lithuania to Christianity beginning in 1387. Lithuania was the last pagan country in Europe to become Christian. The cousins then defeated the Teutonic Knights in the Battle of Tannenberg in 1410, stopping Germanic expansion to the east.

Attempts by Vytautas to separate Lithuania from Poland (and to secure his own crown) failed because of the strength of the Polish nobility. Lithuania continued in a political union with Poland. In 1569 Lithuania and Poland united into a single state, the Polish-Lithuanian Commonwealth, whose capital was Kraków, and for the next 226 years Lithuania shared the fate of Poland. During this period, Lithuania's political elite was dominated by the Polish nobility and church, resulting in neglect of the Lithuanian language and introduction of Polish social and political institutions. It also opened the doors to Western models in education and culture.

In 1795 an alliance between the Germanic states—Prussia and Austria—and the Russian Empire ended Poland's independent existence. Lithuania became a Russian province. Two insurrections, initiated by the Poles in 1831 and again in 1863,

failed to liberate the country. The Russian Empire eliminated Polish influence on Lithuanians and introduced Russian social and political institutions. Under tsarist rule, Lithuanian schools were forbidden, Lithuanian publications in the Latin script were outlawed, and the Roman Catholic Church was severely suppressed. However, the restrictive policies failed to extinguish indigenous cultural institutions and language.

A national awakening in the 1880s, led by the secular and clerical intelligentsia, produced demands for self-government. In 1905 Lithuania was the first of the Russian provinces to demand autonomy. Independence was not granted because the tsar firmly reestablished his rule after the Revolution of 1905. But the demand, articulated by the elected Grand Diet of Vilnius, was not abandoned. World War I led to the collapse of the two empires—the Russian and the German—making it possible for Lithuania to assert its statehood. Germany's attempt to persuade Lithuania to become a German protectorate was unsuccessful. On February 16, 1918, Lithuania declared its full independence, and the country still celebrates that day as its Independence Day.

Independence, 1918–40

During 1918–20 Lithuania successfully fought a war with newly independent Poland to defend its independence. At the end of 1920, however, Poland annexed Lithuania's capital city and province of Vilnius, which it held until World War II. Lithuania refused to have diplomatic relations with Poland until 1938 on the grounds that Poland illegally held the Vilnius region. After declaring independence, Lithuania also fought against the Bermondt-Avalov army, a German-sponsored group of military adventurers that sought to preserve German influence in the Baltic region, and against Russia. In November 1918, the Red Army invaded the country but ultimately was repulsed by the forces of the young Lithuanian government. On July 9, 1920, Soviet leader Vladimir I. Lenin signed a peace treaty with Lithuania, "forever" denouncing Russia's claims to the territory and recognizing the Lithuanian state.

In the early 1920s, Lithuania had a border dispute with Germany. The city and region of Klaipeda (Memel in German) had been under German rule for 700 years. Originally inhabited by Lithuanians, it was detached from Germany in 1919 by the Treaty of Versailles and placed under French administra-

tion. In 1923 Lithuanians organized an insurrection and took over the Klaipeda region.

These conflicts burdened Lithuania's international diplomacy. Domestically, however, they fed the development of national identity and cultural awareness, displacing German and Polish influence.

Lithuania's early disorganization caused a delay in its recognition by Western powers; the last to do so was the United States in 1922. Washington recognized Lithuania's independence only after it had become clear that Western intervention in Russia could not restore the Russian Empire and that the communists were firmly entrenched in Moscow.

Independent Lithuania, led by political leaders mostly in their thirties or early forties, became a democratic republic with a strong legislature, a weak executive, a multiparty system, and a proportional system of representation. Christian Democratic coalitions dominated the democratic period. However, almost a third of the country was illiterate, and farmers—87 percent of the population—were conservative and unfamiliar with democratic processes. In 1926 the Socialist-Populist coalition government was removed by a military coup. Antanas Smetona, a former acting president, was elected to the presidency by a rump parliament. Within three years, he established an authoritarian regime. Political parties were outlawed and the press censored, but Smetona did not completely suppress civil rights. Smetona established Tautininkai, a nationalist political party, which reappeared in the parliament in 1991 after Lithuania regained independence from the Soviet Union.

From 1920 to 1940, independent Lithuania made great strides in nation building and development. A progressive land reform program was introduced in 1922, a cooperative movement was organized, and a strong currency and conservative fiscal management were maintained. Schools and universities were established (there had been no institutions of higher education and very few secondary schools under Russian rule), and illiteracy was substantially reduced. Artists and writers of the period produced works that have become classics.

The Soviet Republic

On August 23, 1939, Joseph V. Stalin and Adolf Hitler concluded the notorious Nazi-Soviet Nonaggression Pact (also known as the Molotov-Ribbentrop Pact). The agreement had a secret protocol that divided Poland, much of Central Europe,

and the Baltic states between Germany and the Soviet Union. Lithuania, at first assigned to the German sphere of influence, in September was transferred to the Soviet Union. In October 1939, the Soviet Union forced on Lithuania a nonaggression pact that allowed Moscow to garrison 20,000 troops in the country. In return, the city of Vilnius, now occupied by Soviet troops, was granted to Lithuania. On June 15, 1940, Lithuania was overrun by the Red Army. At first a procommunist, so-called people's government was installed, and elections to a new parliament were organized. The elections were noncompetitive; a single approved list of candidates was presented to the voters. The parliament met on July 21, declared Soviet rule, and "joined" the Soviet Union as the Lithuanian Soviet Socialist Republic on August 6, 1940. The United States and many other countries refused to recognize the Soviet occupation.

Soviet rule brought about radical political and economic changes and Stalinist terror, which culminated in deportations to Siberia of more than 30,000 people on the night of June 14–15, 1941. Germany interrupted the Stalinist terror by attacking the Soviet Union on June 22, 1941. The next day, the Lithuanian Activist Front, an organization of anti-Soviet resistance groups, revolted against the Soviet occupiers. Partisans took over the largest cities—Kaunas and Vilnius—and declared restoration of Lithuanian independence. The Germans replaced the provisional government with a Lithuanian Vertrauensrat (Council of Trustees), which was headed by an ethnic Lithuanian, General Petras Kubiliunas, and was given some autonomy in local affairs.

The Lithuanian leadership went underground. An anti-Nazi resistance movement developed, publishing underground newspapers, organizing economic boycotts, and gathering arms. The resistance hoped that after victory the Western allies would insist on the restoration of Lithuanian statehood.

A Soviet-sponsored underground also existed in Lithuania beginning in 1942. It staged military raids against German transportation, administrative, and economic enterprises. The Soviet forces were aided by the remnants of the Communist Party of Lithuania, now barely surviving in the underground.

The nationalist Lithuanian resistance was supported by many Lithuanian political parties and resistance groups, including the Social Democrats and a coalition known as the Supreme Committee for the Liberation of Lithuania, which continued its activities many years after Lithuania was retaken

by the Red Army. In 1943 this resistance frustrated German efforts at organizing a Lithuanian Schutz-Staffel (SS) legion. The Nazis responded by arresting Lithuanian nationalists and by closing universities. Moreover, occupation authorities succeeded, in the period 1941–44, in recruiting or capturing tens of thousands of people to work in Germany or to serve in the German military. Many perished in prisons or concentration camps. The main victims, however, were members of Lithuania's Jewish community. About 185,000 Jews, or 85 percent of the community's population, were massacred by Nazi squads, which were helped by Lithuanian collaborators in a number of localities.

Soviet armies recaptured Lithuania in the summer of 1944, although Klaipeda did not fall until January 1945. Antanas Snieckus, the Communist Party of Lithuania leader, returned from Moscow with the other officials who had fled before the advancing German armies. Lithuania's full Sovietization, however, was obstructed from 1944 to 1952 by an armed partisan resistance movement, which cost an estimated 20,000 to 30,000 partisan casualties.

Soviet rule in Lithuania displayed well-known features of communist rule. The party had a monopoly on power, and the management of the economy was centralized. The regime collectivized agriculture from 1947 to 1951. Secret police terrorized the society and attempted to transfer Lithuanian nationalist loyalties to the communists. Deportations to Siberia were resumed. Religion was brutally suppressed. One Roman Catholic bishop was shot, one perished in prison, two died shortly after release, and two were banished for more than thirty years, leaving only one in office. Almost one-third of the clergy was deported, although survivors were allowed to return after Stalin's death in 1953. Eventually, the training of new priests was essentially stopped.

Institutions of power—the party, the secret police, and the government—at first were mainly in Russian hands. In the postwar period, ethnic Lithuanians constituted only 18.4 percent of the republic's communist party members. Beginning in the 1950s, college graduates and those who wanted to make careers in economic, cultural, or political life realized that the Soviet system was not transitory, so they joined the communist party. The party swelled to a membership of 205,000 by 1989, but most of these members were opportunists, very different from the few revolutionary fanatics who had administered

Hill of Crosses, near Siauliai, symbolizes defiance of Soviet rule.
Courtesy Jonas Tamulaitis

Lithuania in the immediate postwar period. Still others joined
the party in the expectation that they would be of better use to
the preservation of Lithuanian traditions, language, and cul-
ture in the ranks of the ruling group. There developed a stra-
tum of communists who wanted to promote not only Moscow's
but also Lithuania's advantage.

Underground resistance never disappeared, although the
armed underground was destroyed. As a movement, resistance
was first sparked by efforts to defend the Roman Catholic
Church. After the Soviet invasion of Czechoslovakia in 1968,
which led to increased repression in the Soviet Union, the dissi-
dent movement spread. In the 1970s, Lithuania had numerous
underground publications. The most significant and regularly
published among them was *The Chronicle of the Catholic Church of
Lithuania.* It was never uncovered by the Soviet secret police,
the Committee for State Security (Komitet gosudarstvennoy

bezopasnosti—KGB), and was published for twenty years. In 1972 a young student, Romas Kalanta, immolated himself in protest against Soviet rule. Army units had to be sent in to quell a street rebellion by students that followed the self-immolation. The Committee for the Defense of Religious Rights and the Helsinki Watch Committee were established in the underground. Dissident work brought arrests and imprisonment. At the same time, the Lithuanian intelligentsia, especially writers and artists, demanded greater freedom of creative expression and protection of the Lithuanian language, traditions, and cultural values from the pressure to Russify that intensified during the administration of Leonid I. Brezhnev (1964–82).

The Move Toward Independence, 1987–91

The situation did not change until Mikhail S. Gorbachev came to power in 1985. Even then, Lithuania's communist party leadership hesitated to embrace Gorbachev's program of limited economic reforms under his policy of *perestroika* (see Glossary). The death of Petras Griskevicius, first secretary of the Communist Party of Lithuania, in 1987 did little to improve the atmosphere for reform. The new first secretary, Ringaudas Songaila, was a conservative functionary. But encouraged by new winds from Moscow, Baltic dissidents began in 1987 to hold public demonstrations in Riga, Tallinn, and Vilnius. In 1988, against the wishes of Songaila's regime, Lithuanian, engaged in widespread celebration of the February 16 Independence Day. Lithuanian intellectuals were pushed into taking more forceful action as well. Meeting at the Academy of Sciences on June 3, 1988, communist and noncommunist intellectuals formed "an initiative group" to organize a movement to support Gorbachev's program of *glasnost* (see Glossary), democratization, and *perestroika*. A council composed equally of communist party members and nonparty members was chosen to organize the Lithuanian Reconstruction Movement, which became known subsequently simply as Sajudis (Movement). The Communist Party of Lithuania leadership did not like this independent action but, knowing Gorbachev's limited acceptance of "informal" societies, did not interfere with the effort.

The movement supported Gorbachev's policies, but at the same time it promoted Lithuanian national issues such as restoration of the Lithuanian language as the "official" language. Its demands included revelations of the truth about the Stalinist years, protection of the environment, cessation of construction

on a third nuclear reactor at the Ignalina nuclear power plant, and disclosure of secret protocols of the Nazi-Soviet Nonaggression Pact. Sajudis used mass meetings to advance its goals. At first, party leaders shunned these meetings, but by mid-1988 their participation became a political necessity. Thus, a Sajudis rally on June 24, 1988, was attended by Algirdas Brazauskas, then party secretary for industrial affairs.

In October 1988, Brazauskas was appointed first secretary of the party to replace Songaila, and Sajudis held its founding conference in Vilnius. It subsequently elected as its chairman Vytautas Landsbergis, a professor of musicology who was not a member of the communist party. In the elections to Moscow's newly authorized Congress of People's Deputies (see Glossary) in March-May 1989, Sajudis was victorious. From the communist party, the voters elected only Brazauskas and Vladimiras Beriozovas, his associate, whom Sajudis did not oppose. From that time, Brazauskas cooperated fully with Sajudis. Lithuanian sovereignty—as distinguished from Lithuanian independence, which had been declared on February 16, 1918—was proclaimed in May 1989, and Lithuania's incorporation into the Soviet Union was declared illegal. In August a human chain from Tallinn to Vilnius commemorated the fiftieth anniversary of the Nazi-Soviet Nonaggression Pact. In December Brazauskas forced the Communist Party of Lithuania to secede from the Communist Party of the Soviet Union and to give up its monopoly on power.

But even the separation of the Communist Party of Lithuania from Moscow did not save it in the electoral contest for the Supreme Soviet of the republic in March 1990. In the election, the Communist Party of Lithuania won only twenty-three of the 141 seats. On March 11, the newly elected parliament voted unanimously for independence. Brazauskas lost the election for chairman of the presidium of the Supreme Soviet to Landsbergis.

Moscow did not accept the legality of the independence vote, however; in April 1990, it imposed an economic blockade that lasted for three months, until the Lithuanian legislature, now known as the Supreme Council, agreed to a six-month moratorium on its independence declaration. Later, Moscow obstructed Lithuanian efforts to gain Western recognition, and on January 13, 1991, attempted to use force to remove the Lithuanian government in Vilnius and to reestablish Soviet rule. Although this attempted coup ended in a massacre of

civilians—thirteen died, and hundreds were wounded—by the Soviet army, Lithuania's determination did not change. Finally, the failure of the August 1991 coup in Moscow permitted Lithuania to regain self-determination and prompted the international community to recognize it as an independent state. The United States extended recognition on September 2, and the Soviet Union did so on September 6. Lithuania was admitted to the United Nations on September 16, 1991.

Physical Environment

Lithuania is situated on the eastern shore of the Baltic Sea. Lithuania's boundaries have changed several times since 1918, but they have been stable since 1945 (see fig. 2). Currently, Lithuania covers an area of about 65,200 square kilometers. About the size of West Virginia, it is larger than Belgium, Denmark, the Netherlands, or Switzerland.

Lithuania's northern neighbor is Latvia. The two countries share a border that extends 453 kilometers. Lithuania's eastern border with Belarus is longer, stretching 502 kilometers. The border with Poland on the south is relatively short, only ninety-one kilometers, but is very busy because of international traffic. Lithuania also has a 227-kilometer border with Russia. Russian territory adjacent to Lithuania is Kaliningrad Oblast, which is the northern part of the former German East Prussia, including the city of Kaliningrad. Finally, Lithuania has 108 kilometers of Baltic seashore with an ice-free harbor at Klaipeda. The Baltic coast offers sandy beaches and pine forests and attracts thousands of vacationers.

Topography, Drainage, and Climate

Lithuania lies at the edge of the East European Plain. Its landscape was shaped by the glaciers of the last Ice Age. Lithuania's terrain is an alternation of moderate lowlands and highlands. The highest elevation is 297 meters above sea level, found in the eastern part of the republic and separated from the uplands of the western region of Zemaiciai by the very fertile plains of the southwestern and central regions. The landscape is punctuated by 2,833 lakes larger than one hectare and an additional 1,600 ponds smaller than one hectare. The majority of the lakes are found in the eastern part of the country. Lithuania also has 758 rivers longer than ten kilometers. The largest river is the Nemunas (total length 917 kilometers),

*Memorial in Vilnius to Lithuanians killed during the Soviet assault
on the city's television-radio station in January 1991
Courtesy Maya Laurinaitis*

which originates in Belarus. The other larger waterways are the
Neris (510 kilometers), Venta (346 kilometers), and Sesupe
(298 kilometers) rivers. However, only 600 kilometers of
Lithuania's rivers are navigable.

The country's climate, which ranges between maritime and
continental, is relatively mild. Average temperatures on the
coast are 1.6°C in January and 17.8°C in July. In Vilnius the
average temperatures are 2.1°C in January and 18.1°C in July.
Average annual precipitation is 717 millimeters on the coast
and 490 millimeters in the eastern part of the country. The
growing season lasts 202 days in the western part of the country
and 169 days in the eastern part.

Once a heavily forested land, Lithuania's territory today con-
sists of only 28 percent woodlands—mainly pine, spruce, and
birch forests. Ash and oak are very scarce. The forests are rich
in mushrooms and berries.

The Environment

Concerned with environmental deterioration, Lithuanian
governments have created several national parks and reserva-

tions. The country's flora and fauna have suffered, however, from an almost fanatical drainage of land for agricultural use. Environmental problems of a different nature were created by the development of environmentally unsafe industries, including the Ignalina nuclear power plant, which still operates two reactors similar to those at Chornobyl' (Chernobyl' in Russian), and the chemical and other industries that pollute the air and empty wastes into rivers and lakes. According to calculations by experts, about one-third of Lithuanian territory is covered by polluted air at any given time. Problems exist mainly in the cities, such as Vilnius, Kaunas, Jonava, Mazeikiai, Elektrenai, and Naujoji Akmene—the sites of fertilizer and other chemical plants, an oil refinery, power station, and a cement factory. Water quality also is poor. The city of Kaunas, with a population of more than 400,000, still has no water purification plant. Only one-quarter of sewage-contaminated water in the republic is processed because cleaning facilities are not yet available. River and lake pollution also is a legacy of Soviet carelessness with the environment. The Kursiu Marios (Courland Lagoon), for example, separated from the Baltic Sea by a strip of high dunes and pine forests, is about 85 percent contaminated. Beaches in the Baltic resorts, such as the well-known vacation area of Palanga, are frequently closed for swimming because of contamination. Forests affected by acid rain are found in the vicinity of Jonava, Mazeikiai, and Elektrenai, which are the chemical, oil, and power-generation centers.

As a Soviet republic, Lithuania was among the first to introduce environmental regulations. However, because of Moscow's emphasis on increasing production and because of numerous local violations, technological backwardness, and political apathy, serious environmental problems now exist.

Natural Resources

Lithuania's landscape is pleasing to the eye but modest in natural resources. The republic has an abundance of limestone, clay, quartz sand, gypsum sand, and dolomite, which are suitable for making high-quality cement, glass, and ceramics. There also is an ample supply of mineral water, but energy sources and industrial materials are all in short supply. Oil was discovered in Lithuania in the 1950s, but only a few wells operate, and all that do are located in the western part of the country. It is estimated that the Baltic Sea shelf and the western region of Lithuania hold commercially viable amounts of oil,

but when exploited this oil will satisfy only about 20 percent of Lithuania's annual need for petroleum products for the next twenty years. Lithuania has a large amount of thermal energy along the Baltic Sea coast, however, which could be used to heat hundreds of thousands of homes, as is done in Iceland. In addition, iron ore deposits have been found in the southern region of Lithuania. But commercial exploitation of these deposits probably would require strip mining, which is environmentally unsound. Moreover, exploitation of these resources will depend on Lithuania's ability to attract capital and technology from abroad.

Society

Population

In 1995 Lithuania had an estimated population of 3,717,000, which was 44,000 fewer people than in 1992. Of the total, females were in the majority, as in most Central European countries and in Russia. The population group that has increased most quickly in Lithuania, as in many other relatively developed countries, consists of senior citizens and pensioners (those over age sixty) (see fig. 12). For example, pensioners grew in number from 546,000 to 906,000 between 1970 and 1991. This group grew from 17.3 percent of the population in 1980 to 19.5 percent in 1992. The zero-to-fifteen-year-old age-group, by comparison, diminished slightly from 25.2 percent in 1980 to 23.9 in 1992, not as a result of increased mortality but as a result of a continuing decline in the birth rate. The group of working-age people (aged sixteen to fifty-nine for men and fifteen to fifty-four for women) also decreased, from 57.5 percent to 56.6 percent. The birth rate decreased from 17.6 per 1,000 population in 1970 to 12.5 per 1,000 population in 1993 and 12.0 per 1,000 population in 1994. Mortality increased from 10.5 per 1,000 population in 1980 to 10.9 in 1991 and 12.8 in 1994. Life expectancy in 1993 was 63.3 years for males and 75.0 years for females, or an average of 69.1 years. This, too, was on the decline from the peak years of 1986–87, when the average was 72.5 years (67.9 years for males and 76.6 years for females). The decrease coincides with the worsening economic situation and the decline in the quality of health services during the postindependence economic transition.

The average Lithuanian family is still somewhat larger than families in the neighboring Baltic states, but it has been declin-
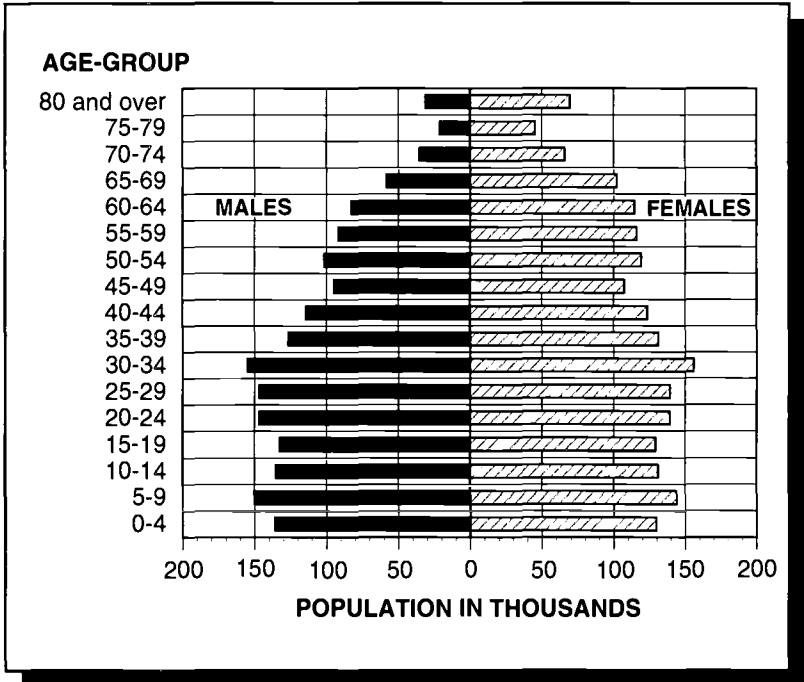
189

AGE-GROUP

80 and over
75-79
70-74
65-69
60-64   MALES   FEMALES
55-59
50-54
45-49
40-44
35-39
30-34
25-29
20-24
15-19
10-14
5-9
0-4

200   150   100   50   0   50   100   150   200

POPULATION IN THOUSANDS

Figure 12. Population of Lithuania by Age and Gender, 1994

ing. The average family size shrank to 3.2 by 1989. People marry young, but their marriages are often quickly dissolved. The divorce rate has been increasing. In 1989, of 9.3 marriages per 1,000 population, there were 3.3 divorces. The highest divorce rate is among ethnic Russians and in ethnically mixed families. These statistics indicate the existence of social problems with which society has been ill equipped to deal. Churches are not allowed to intervene to address these problems, and the profession of social work is still virtually nonexistent. The postcommunist government must face the formidable task of developing a social work sector.

Under Soviet rule, especially in the last decade, one-half or more of the annual population increase resulted from immigration, primarily from Russia. But this situation has changed. More people emigrate to former Soviet republics than arrive from them, and more people leave for the West than come from there. In 1990 Lithuania's net migration loss to former

Soviet republics was 6,345. Loss to the West includes Jewish emigration. Gains from the West include returning Americans and Canadians of Lithuanian descent.

Soviet industrialization brought about fast and sustained urban development. Annually, almost 1 percent of the rural population has moved to cities since the early 1950s. In 1939 only 23 percent of the population lived in cities; in 1992 the urban percentage was 69. Lithuania has five cities with a population of more than 100,000. The largest is the capital, Vilnius, established in 1321 (1994 population 584,000); Kaunas, the capital between the two world wars, founded in 1361 (1994 population 424,000); the port city of Klaipeda, established in 1252 (1994 population 205,000); the center of the electronics industry, Siauliai, founded in 1236 (1994 population 147,000); and the city of chemical and automobile parts industries, Pan-evezys, founded in 1548 (1994 population 132,000).

In 1994, according to official estimates, 81.1 percent of Lithuania's population consisted of ethnic Lithuanians. The remaining 18.9 percent was divided among Russians (8.5 percent), Poles (7.0 percent), Belarusians (1.5 percent), Ukrainians (1.0 percent), and others, including Jews, Latvians, Tatars, Gypsies, Germans, and Estonians (0.9 percent). Altogether, people of more than 100 nationalities live in Lithuania.

The proportion of the ethnic Lithuanian population—more than 90 percent of whom speak Lithuanian—stayed at 80 percent or a fraction higher until 1989, when it dropped slightly below 80 percent. The decrease resulted in fears that a pattern of decline would develop as a result of increasing Russian immigration, which might endanger the survival of Lithuania's culture and national identity as it did in Estonia and Latvia.

The Russian minority consists of old and new immigrants. Many Russians settled in Lithuania in the nineteenth century or in the early twentieth century, shortly after the Bolsheviks came to power in Moscow. Two-thirds of the Russian minority, however, are immigrants—or their descendants—of the Soviet era, many of whom regard Lithuania as their homeland. They usually live in larger cities. In Vilnius 20.2 percent of the population was Russian in 1989. The same year, in Klaipeda, 28.2 percent of the inhabitants were Russians; in Siauliai, 10.5 percent. Ignalina, where the nuclear power plant is located, had a Russian majority of 64.2 percent. Less than 10 percent of the population in Kaunas and the resort towns of Druskininkai, Palanga, or Neringa was Russian, however. These percentages

most likely will decline slightly in the 1990s because some Russians, finding it difficult to accept that they live in a "foreign" country, are leaving Lithuania. The majority of Russians, however, have shown little inclination to leave; 88 percent of those polled in the fall of 1993 described relations between their group and the ethnic Lithuanian population as good, and more than 60 percent felt that economic conditions for people like themselves would be worse in Russia than in Lithuania.

Poles live primarily in the city of Vilnius (18.8 percent of Vilnius's population in 1989) and in three adjacent rural districts. In 1989 the ethnic Polish population in the Salcininkai district constituted 79.6 percent; in the rural district of Vilnius, it was 63.5 percent; and in the district of Trakai, it was 23.8 percent. Small Polish groups also live in a number of other localities. Since the late 1940s, the Polish presence in Lithuania has declined considerably. About 200,000 Poles left Lithuania for Poland in 1946, under an agreement signed between Warsaw and Vilnius. Afterward, the Polish percentage of Lithuania's population declined from 8.5 percent in 1959 to 7.0 percent in 1989, primarily as a result of the influx of Russians. The Polish population of eastern Lithuania is composed of inhabitants whose families settled there centuries ago, of immigrants who came from Poland in the nineteenth and early twentieth centuries when the region was part of Poland, and of many assimilated Lithuanians and Belarusians.

Jews began settling in Lithuania in the fourteenth century. In time, Vilnius and some other cities became centers of Jewish learning, and Vilnius was internationally known as the Jerusalem of the North. Between the two world wars, Jews developed an active educational and cultural life. The Jewish community, which did not experience large-scale persecution until World War II, was almost entirely liquidated during the Nazi occupation. In 1989 only 12,400 Jews were left in Lithuania, and emigration after independence had cut their number to an estimated 6,500 by 1994.

For centuries, Vilnius has been an ethnically diverse city. Historically, the city has served as a cultural center for Lithuanians, Poles, Jews, and Belorussians. In the sixteenth and early seventeenth centuries, it also was a center of Ukrainian religious and cultural life. At the turn of the century, the largest minority ethnic group was Jewish. After World War II, the largest minority ethnic group was Polish. The population of Vilnius

Main pedestrian thoroughfare in downtown Kaunas
Courtesy Judith Gefter
Kalvariju Market in Vilnius
Courtesy Jonas Tamulaitis

in 1989 was 50.5 percent Lithuanian, 20.2 percent Russian, 18.8 percent Polish, and 5.3 percent Belorussian.

Health and Welfare

The Lithuanian constitution of 1992 provides guarantees of social rights that were earlier provided by the Soviet regime. The constitution puts special emphasis on the maintenance and care of the family. It expresses in detail, for example, the guarantee for working mothers to receive paid leave before and after childbirth (Article 39). The constitution provides for free public education in all state schools, including schools of higher education (Article 41). The constitution forbids forced labor (Article 48); legalizes labor unions and the right to strike (Articles 50 and 51); guarantees annual paid vacations (Article 49); and guarantees old-age and disability pensions, unemployment and sick leave compensation, and support for widows and families that have lost their head of household, as well as for others in situations as defined by law (Article 52). Finally, the constitution guarantees free medical care (Article 53).

All political groups support these guarantees—considered more or less inviolable—although it is not clear to what extent the government will be able to fund the promised services during the continuing economic transition. The amounts of support and the quality of services have declined from the modest, but always predictable, level first established in the Soviet period.

The national system of social security consists of programs of social insurance and social benefits designed to continue the benefits provided by the Soviet system. Social insurance includes old-age retirement; survivor and disability pensions; unemployment compensation; pregnancy, childbirth, and child supplements; certain welfare support; and free medical care. It is cradle-to-grave insurance. According to a 1990 law, payments cannot be lower than necessary for a "minimal" living standard. In 1990 old-age and disability pensions in Lithuania were slightly more generous than in Estonia and Latvia. The budget for the program is separate from the national and local budgets. Only military pensions and some other special pensions are paid from the national budget.

Social insurance is financed, according to a law passed in 1991, from required payments by workers and employers, from income generated by the management of state social insurance activities, and from budgetary supplements by the state if the

program threatens to run a deficit. To be eligible for an old-age pension, a male worker must be at least sixty years of age and have at least a twenty-five-year record of employment. A woman must be fifty-five and have a record of twenty years of employment. This category of recipients includes not only factory and government workers but also farmers and farm workers.

A program of social benefits is financed by local governments. It includes support payments for women during pregnancy and childbirth and for expenses after the child's birth. The program features single payments for each newly born child, as well as child support for single parents or families. These latter payments continue up to age limits established by law. The state also maintains a number of orphanages, sanatoriums, and old-age homes.

In the medical field, Lithuania has sufficient facilities to fulfill the guarantee of free medical care. In 1990 the country had more than 14,700 physicians and 2,300 dentists; its ratio of forty-six physicians and dentists combined per 10,000 inhabitants compared favorably with that of most advanced countries. In addition, in 1990 Lithuania had more than 47,000 paramedical personnel, or 127 per 10,000 population and 46,200 hospital beds, or 124 beds per 10,000 population. In the medical profession, Lithuania's cardiologists are among the most advanced in the former Soviet Union. In 1987 the first heart transplant operation was performed at the cardiac surgery clinic of Vilnius University. Hundreds of kidney transplants have been performed as well. One reasonably reliable and generally used indicator of the quality of a country's health services system is infant mortality. In 1990 Lithuania's infant mortality rate of 10.3 per 1,000 population was among the lowest of the Soviet republics but higher than that of many West European countries.

Special features of Lithuania's health status are high alcoholism (191 cases per 100,000 persons), low drug abuse (3.1 cases per 100,000), and few cases of human immunodeficiency virus (HIV) infection. Reported cases of HIV in 1992 were under 100. The main causes of death are cardiovascular diseases, cancer, accidents, and respiratory diseases. In addition to alcoholism, important risk factors for disease are smoking, a diet high in saturated fat, hypertension, and environmental pollution.

Notwithstanding efficient ambulance service and emergency care, medical services and facilities in Lithuania suffer from a lack of equipment, supplies, and drugs, as well as from inertia

in the operation and administration of health services. The system is mainly state owned and state run. Private medical practice, begun only in the late 1980s, has not progressed appreciably because of the economic crisis. Since 1989 the government has encouraged church groups and others to enter the field of welfare services and medicine. The best-known such group is the Roman Catholic charitable organization Caritas.

Health care expenditures increased from 3.3 percent of the gross national product (GNP—see Glossary) in 1960 to 4.9 percent of GNP in 1990, but this figure is still low by world standards. Lithuania is unable to afford investments to improve its health care infrastructure at this time. Lithuania needs humanitarian assistance from the world community in importing the most critically needed drugs and vaccines. Disease prevention needs to be emphasized, especially with regard to prenatal, pediatric, and dental care. To reduce the occurrence of prevalent risk factors, the government needs to make fundamental improvements in public education and health programs.

Lithuania's standard of living in the early 1990s was slightly below Estonia's and Latvia's but higher than in the rest of the former Soviet Union. At the end of 1992, the standard of living had declined substantially, however. Energy shortages caused severe limitations in heating apartments and providing hot water and electricity. Before the post-Soviet economic transition, Lithuanians had abundant food supplies and consumed 3,400 calories a day per capita, compared with 2,805 calories for Finns and 3,454 calories for Swedes. But an average Lithuanian had only 19.1 square meters of apartment living space (less in the cities, more in rural areas), which was much less than the 30.5 square meters Finns had in the late 1980s. Housing, moreover, had fewer amenities than in the Scandinavian countries; 75 percent of Lithuanian urban housing had running water in 1989, 62 percent had hot water, 74 percent had central heating, 70 percent had flush toilets, and 64 percent had bathing facilities. Formerly low utility rates skyrocketed in the 1990s. Rents also increased, although by the end of 1992 almost 90 percent of all state-owned housing (there was some privately owned housing under Soviet rule) had been privatized—bought from the state, mostly by those who lived there. In 1989 families were well equipped with radios and televisions (109 and 107 sets, respectively, per 100 families). Most had refrigerators (ninety-one per 100 families), and many had

Elderly woman on the
outskirts of Druskininkai
Courtesy Maya Laurinaitis

washing machines (seventy), bicycles (eighty-four), vacuum cleaners (sixty), sewing machines (forty-eight), and tape recorders (forty-four). Every third family had a private automobile (thirty-six automobiles per 100 families). Detracting from the quality of life, however, was the increasing rate of violent crime, especially in the larger cities (see Crime and Law Enforcement, this ch.).

Religion

Traditionally, Lithuania has been a Roman Catholic country. Although severely affected by Soviet repression, the Roman Catholic Church remains the dominant and the most influential denomination. However, Lithuania in the past has had two small but active Protestant denominations, the Evangelical Reformed (Calvinist) and the Evangelical Lutheran. In addition, Orthodox Christianity as well as Judaism have roots at least as old as those of Roman Catholicism. In 1991 a Western poll found that 69 percent of respondents in Lithuania identified themselves as Roman Catholics (in 1939 the percentage was 85), 4 percent identified themselves as Orthodox, and 1 percent professed Evangelical Christian beliefs. New in this self-identification was a large category—25 percent—who did not profess any religion. Lithuanian journalists have also noted

Skyline view of Kaunas
Courtesy Maya Laurinaitis

that twenty-one out of the 141 new members of parliament elected in 1992 left out "so help me God" from the oath when sworn in as deputies.

In 1992 Lithuania's Roman Catholic Church consisted of two archdioceses (Vilnius and Kaunas) and four dioceses (Kaisiadorys, Panevezys, Vilkaviskis, and Telsiai). The church is presided over by Cardinal Vincentas Sladkevicius in Kaunas. For thirty years, Sladkevicius, then a bishop, was held by Soviet authorities in internal exile. The church has 688 parishes, two theological seminaries (one reestablished in 1990), and several convents and monasteries. There is also one Uniate, or Eastern-Rite Catholic, congregation.

The archeparchy (archdiocese) of the Russian Orthodox Church has forty-five parishes and two monasteries. Archbishop Chrisostom and his archeparchy are under the jurisdiction of the Patriarch of Moscow. The Old Believers (see Glossary) have fifty-one congregations. The Lithuanian Evangelical Lutheran Church under Bishop Jonas Kalvanas has thirty-three congregations, and the Evangelical Reformed Church (Calvinist) has eight. Other Christian denominations include Baptists, Seventh-Day Adventists, and Pentecostals. The non-Christian religious groups include Jews (two communities), Muslims (four communities), Krishna followers (two communities), and one Karaite (see Glossary) group.

Traditionally, most Roman Catholics in Lithuania were either Lithuanians or Poles, and the Orthodox and Old Believer adherents were predominantly Russians. This division has not changed, although currently it is no longer possible to assume religious affiliation on the basis of ethnic identity. The Calvinist and Evangelical Lutheran groups are very small—an estimated 15,000 Calvinists and 35,000 Lutherans. The younger Protestant denominations are even smaller but are intensely active. Generally, Lithuanian society in the 1990s is secularized, although, as in many postcommunist countries, younger people are searching for some sort of spiritual fulfillment.

The Roman Catholic Church is the oldest continuously surviving Lithuanian institution. As such, it has played a dominant role in the development of Lithuanian society, especially crucial during those long stretches of time when Lithuanians had no state of their own. At first highly influenced by the Polish community, the church under Bishop Motiejus Valancius in the nineteenth century promoted Lithuanian language and publications, which prepared the country for the national awaken-

ing of the 1880s. Because Russian imperial authorities had forbidden the publication of Lithuanian books in the Latin alphabet, Valancius had them printed in German-ruled, Protestant East Prussia and then smuggled into Lithuania. The bishop also organized a network of secret Lithuanian schools. In 1918 the church supported the establishment of Lithuania as an independent and democratic republic. Years later, it endorsed land reform, and in the 1930s the bishops opposed and restrained Smetona's authoritarian rule. Under Soviet rule, the church served as a focal point of resistance and dissident activities. Its theological outlook, however, has been conservative.

Protestants also have contributed significantly to Lithuania's cultural development. The first book printed in Lithuanian was a Lutheran catechism, published by Martynas Mazvydas in East Prussia in 1547. Protestant Lithuanians from this region published the literature of national awakening. Later, Protestants—both Lutheran and Calvinist—supplied political leadership out of proportion to their numbers in the population.

In Lithuania between the two world wars, the Roman Catholic Church and other denominations had a constitutionally guaranteed monopoly over registration of marriages, births, and deaths. Religious education in public schools was compulsory. Although there was no established religion, all denominations received some state support in rough proportion to their size. The Soviet authorities totally separated churches not only from the state but also from individual support. On June 12, 1990, Lithuania's newly elected independent parliament adopted an act of restitution of the Roman Catholic Church's condition status quo ante but promised compensation for the losses suffered under Soviet rule and pledged cooperation on a parity basis. The constitution of 1992 guarantees "freedom of thought, religion, and conscience" to all and "recognizes traditional churches and religious organizations of Lithuania." Other religious organizations have to pass a test to ensure that their teachings do not "contradict the law and morality." All recognized churches are guaranteed the rights of legal persons and can govern themselves without state interference. Religious teaching in public schools is allowed if parents desire it. Religious marriage registration also is legally valid, as in the United States. The government maintains an office of counselor on religious affairs.

Language and Culture

Like Latvian and Old Prussian, the Lithuanian language belongs to the Baltic branch of the Indo-European language family. The size of the territory in which Lithuanian was spoken shrank considerably through the ages. Today it is roughly coterminous with the boundaries of Lithuania except for some areas of Lithuanian speakers in Poland and Belarus, and except for the diaspora living in the United States, Canada, Western Europe, Latin America, Australia, and even Siberia.

The medieval Lithuanian rulers did not develop a written form of the Lithuanian language. The literary Lithuanian language, based on a southwestern Lithuanian dialect, came into use during the last quarter of the nineteenth century, replacing the use of the Samogitian, or western Lithuanian, dialect. At the beginning of the twentieth century, the use of Lithuanian was confined mainly to the peasantry, but the language was revived subsequently. In 1988 it was declared the official language of Lithuania, as it had been during 1918–40 and the early years of Soviet rule.

Unlike Estonia and Latvia, Lithuania's cultural development was affected by Poland rather than Germany. The imperial Russian regime had an enormous impact on Lithuania from 1795 to 1915, and the Soviet Union had similar influence from 1940 to 1991. Direct contacts with western Europe also made significant contributions beginning in the sixteenth century. Lithuanian nobility in the sixteenth to eighteenth centuries and Lithuanian intellectuals since the turn of the twentieth century brought back ideas and experiences from Italy, Germany, and France. Also, between the two world wars independent Lithuania's direct communication with western Europe affected the development of educational and religious institutions, the arts and literature, architecture, and social thought. Lithuania's historical heritage and the imprint of the Western outlook acquired in the twentieth century were strong enough to make Soviet citizens feel that by going to Lithuania they were going abroad, to the West.

Lithuanian folk art, especially woodcarving and weaving, contributed to the growth of Lithuanian artistic development. Traditionally, Lithuanian folk artists carved mostly crosses, wayside chapels, and figures of a sorrowful Christ—very symbolic and characteristic of Lithuanian crossroads. Under Soviet rule, which outlawed religious subjects, woodcarvings became sec-

*Religious ceremonies, such as this christening in Kaunas, became
common as the communist regime disintegrated.
Courtesy Jonas Tamulaitis
Women at Roman Catholic mass in Druskininkai
Courtesy Maya Laurinaitis*

ular. Today, Lithuania's roads and gardens are dotted with wooden crosses, poles, and other carvings.

Among Lithuanian artists, probably the best known is Mikalojus Ciurlionis (1875–1911), an originator of abstract painting and a composer whose music became the main subject of study by Professor Vytautas Landsbergis, Lithuania's de facto president 1990–92 and a leader of the independence movement. During the Soviet period, Lithuanian art was best known for graphic arts and for stained glass windows, but the most prominent art forms included abstract painting, sculpture, commercial art, and amber jewelry.

Lithuanian music is as ancient as its art. Folk music has had great influence on its development, and choral singing—periodically demonstrated in huge singing festivals—remains extremely popular. Lithuanian composers write not only choral but also symphonic, ballet, chamber, and opera music. A conservatory, established in 1933, has contributed much to the development of musical culture. In addition to the conservatory, Lithuania supports four higher music schools, three art schools, two pedagogical music schools, eighty music schools for children, five symphony orchestras, ensembles for medieval and contemporary music, and an internationally known string quartet. Many instrumentalists and soloists are winners of international prizes. Folk music ensembles also abound.

Opera and ballet are important elements of Lithuania's national culture. Dancers are trained at the Vilnius School of Choreography and the Kaunas School of Music, as well as in Russia.

All of these activities were state supported under the Soviet system. Membership in artistic associations usually assured work in the profession. All of this now has to be reorganized on a private basis, and both the state and the artists are struggling to find satisfactory working arrangements. Many supporters of the arts believe that art should be state-supported but not state controlled.

The movie industry was established in the late 1940s. Lithuanian filmmakers released four full-length films in 1989 and five in 1990; they also released twenty-eight short films, twenty-four newsreels, and four documentaries. Artistic photography has roots that are older than the Soviet regime in Lithuania.

Sports are also a prevalent national pastime. Lithuania's most popular game is basketball, and a few Lithuanians play professionally in the United States and in European countries.

Lithuania's individual athletes have won Olympic medals and routinely compete in European events.

Education

The population of Lithuania is highly educated. Virtually all those in the age-group fifteen to thirty-nine have completed basic schooling. The average level of education, however, gradually drops for those older than forty. Large numbers of students attend special schools and schools of higher education. In 1993 Lithuania had 67.3 students per 1,000 population in universities and other institutions of higher education, and 46.4 in vocational schools. These numbers compared with 25.9 and 49.0, respectively, for Estonian and Latvian university students and 18.6 and 36.1 for vocational school students. Lithuania had 106 university graduates per 1,000 population. Enrollment rates compared favorably with those in Western Europe. Lithuania had a literacy rate of 99 percent in 1994.

Schools using Lithuanian as the language of instruction are a product of the twentieth century. The system of education—primary, secondary, and higher—was developed between the two world wars. Soviet officials further expanded it, added adult education, and severely ideologized and politicized the philosophy of education and the teaching process. Independent Lithuania has replaced a "Soviet school" with a "national school" philosophy, although the system still maintains some Soviet organizational features. Primary and secondary education together last twelve years. Three types of schools exist: schools that include grades one to four, those that include grades one to nine, and those that include grades one to twelve. Schooling begins at age six. Since 1978 secondary education has been compulsory. In 1993–94 there were 2,317 primary and secondary schools, 108 secondary specialized institutions, and fifteen higher education institutions in the country. Separate schools exist with Russian or Polish as the language of instruction.

Lithuania's "flagship" institution of higher learning is Vilnius University. Others include Vytautas Magnus University in Kaunas, founded by the Lithuanian diaspora of the United States and based on the American model, and the new university in Klaipeda. Unlike the Soviet universities, Lithuanian universities are self-governing and have their autonomy guaranteed by law. The entire system of education is administered by the Ministry of Education and Culture.

Following Soviet practice, research and teaching functions in Lithuania are institutionally separated. Research is mainly conducted by the seventeen institutes of the Academy of Sciences. Altogether, in 1990 forty-six research institutes employed 15,400 scientists. Research is relatively weak in the humanities and the social sciences. Probably the most internationally distinguished activity in these fields is the study of Baltic linguistics under the aegis of the center for such studies in Vilnius. Studies in probability theory by the faculty of Vilnius University are internationally known, and important advances have been made in semiconductor physics and chemistry, biochemistry and genetics, studies related to various aspects of environmental protection, and other fields of the natural sciences and technology. Distinguished advanced research has been carried out in the fields of medicine (especially in cardiovascular disease) and agriculture. Internationally, the best recognized Lithuanian contribution is in biotechnology.

Economy

In the early and mid-1990s, Lithuania's economy went through a dynamic transition from the centralized economy prevalent during Soviet control of Lithuania to a market-driven economy dominated by private enterprise and oriented toward trade with Western Europe and North America. This transition began in 1991, and the volatile first stage—structural adjustment—was largely complete as of 1994. During this period, the economy declined precipitously while the Lithuanian government implemented fundamental economic reforms, including price reform, privatization, government reform, introduction of the litas (pl., litai) as the national currency (for value of the litas—see Glossary), and trade adjustment. Dependence on Russian energy hampered Lithuania's economy at a crucial time of transformation from the centralized state-run economy to a free-market system. Industrial production in Lithuania dropped by 36 percent from December 1992 through June 1994.

Despite these grim statistics, Prime Minister Adolfas Slezevicius was determined to adhere strictly to International Monetary Fund (IMF—see Glossary) recommendations for a speedy transition to a market economy. Slezevicius maintained that former socialist countries that did not rapidly reform fared far worse than those that did. The IMF noted that substantial progress had been achieved in Lithuania between 1992 and

Statue of Polish-Lithuanian
poet Adam Mickiewicz
(Adomas Mickevicius) in
Vilnius
Courtesy Chester Pavlovski

1994 and that, after successfully reducing inflation, the country was ready to turn its attention to reforming its tax, privatization, social security, and finance policies.

Economic recovery began at minimal levels in mid-1993 and continued subsequently as a result of an increase in foreign assistance, loans and investment, trade, and private-sector employment. Most foreign investment came from the United States, Russia, Germany, Britain, Austria, and Poland.

Economic Reforms

During the early 1990s, the government launched a comprehensive program of market-oriented reforms, which included the privatization of state-owned enterprises, the lifting of price controls, land reform, and reform of the banking sector. Also, a new national currency, the litas, was introduced in June 1993.

Privatization

Privatization occurred at a rapid rate in the 1992–94 period (especially with respect to farmland, housing, and small enterprises), and about half of the large and medium-size enterprises scheduled for privatization were sold through public share offerings. The Law on Initial Privatization of State Property of the Republic of Lithuania, passed in early 1991 and

amended several times in 1993 (primarily with regard to land reform and restitution), served as the principal basis for undertaking privatization. To start the process, the law authorized the issuance of investment vouchers to residents of Lithuania, to be used for the purchase of housing or other property. Most housing property eligible for privatization had been privatized by the end of 1993. Large enterprises also were to be privatized, with priority given to purchases of shares by employees of those enterprises. The number of shares that employees had the right to purchase in companies being privatized was increased in 1993 from 30 percent of total shares to 50 percent. By November 1994, more than 5,000 enterprises, or 80 percent of the assets earmarked for privatization, had been sold off.

Lithuania sought to regulate privatization of agriculture and to liquidate collective farms. The 1991 privatization law initiated agricultural land reform based on the proposition that nationalized land must be returned while unclaimed land could be sold to prospective private farms on long-term installment plans. Agricultural privatization proceeded rapidly; by the middle of 1993, some 83 percent of the agricultural privatization program had been completed.

Corruption and violence occasionally marred the privatization process. There were difficulties with auction sales of enterprises because speculators and organized crime conspired in bidding, bribed officials, or scared away competition with physical threats. Nevertheless, by the middle of 1994 the government had privatized state property worth a total of 489 million litai (35 million litai in cash and 454 million litai in vouchers and other forms of compensation), allocating the cash received to national and local privatization funds.

Land Reform

The greatest difficulties in implementing Lithuania's privatization program were experienced in agriculture because rapid privatization caused fear and confusion in that sector. The laws provided for the dismemberment of collective farms but did not definitively ensure their replacement by at least equally productive private farms or corporations. The many small private farms that appeared on the landscape were inefficient. Conflicts frequently arose over title to land. Many new owners did not intend to cultivate the regained land or to actively engage in farming, and as a result tens of thousands of hectares

One of many newly privatized farms in Lithuania
Courtesy Maya Laurinaitis
Early morning milk pickup from farm in Panoviai
Courtesy Victor Visockis

were left fallow. Collective farm managers and their friends stole or cheaply acquired tractors, cattle, and other property.

Price Reform

Inflation resulted from the lifting of price controls and from the shortages that resulted from trade disruption around the time of the collapse of the Soviet Union. Inflation, which was 225 percent in 1991, increased to 1,100 percent in 1992, fell to 409 percent in 1993, and dropped further to about 45 percent in 1994. Wages remained stable in 1991 but declined 30 percent in real terms in 1992. Prices increased several times more than wage and pension raises.

Prime Minister Slezevicius coped with the high rate of inflation by avoiding the temptation to promise compensation to pensioners and others whose savings were wiped out by inflation. He also avoided giving in to demands for increased subsidies and support for utilities and public transportation, which traditionally had been provided by the central government. The opposition, led by former Prime Minister Gediminas Vagnorius, was pressing for compensation to savers and investors, but the public voted not to support the measure in an August 1994 referendum. By adhering to Lithuania's structural adjustment program, which had been worked out in cooperation with the IMF, Slezevicius demonstrated his confidence in the reform process.

Monetary and Fiscal Policy

The litas was introduced as the new national currency on June 25, 1993. It became the sole legal tender in August 1993. The litas has been stable since then, maintaining a value of 4.0 litai = US$1 since its introduction.

Lithuania has made progress in reducing government expenditures to match government revenues. In March 1990, Lithuania began the difficult process of eliminating subsidies, introducing new taxes, and administering a new tax collection system. Personal income taxes, corporate profit taxes, and a value-added tax (VAT—see Glossary) were introduced. The personal income tax rate ranges from 18 to 33 percent. The corporate profit tax rate is 29 percent, with a discounted rate of 24 percent on retained earnings and 10 percent on the earnings of agricultural enterprises. The VAT is 18 percent, and there are excise taxes on alcohol, tobacco, petroleum, furniture, jewelry, land, and other items and transactions. Lithuania

has been reluctant to reduce its high tax burden for fear of fiscal instability, but high taxes have led to an environment that encourages underreporting and corruption, stimulating the underground economy.

The budget of the central government ran a deficit throughout the late 1980s. The amount of the deficit at that time was relatively small—about 3 percent of the gross domestic product (GDP—see Glossary). The central government ran a budget surplus of 3 percent of GDP in 1991. The budget had a surplus in 1993 but a slight deficit—1 percent of GDP—in 1994.

After independence in 1991, the government began to restructure its expenditures. Subsidies were reduced from 37 percent of government expenditures in 1985 to 6 percent in 1992, while expenditures for the social safety net (social security, welfare, housing, and communal activities) increased from 15 percent to 32 percent of expenditures over the same period. These shifts in expenditures are a result of the central government's assumption of responsibility for the social safety net from enterprises that had been responsible for them during the Soviet period. Projected government expenditures in 1995 equaled 26 percent of GDP.

Reform of the Banking Sector

Prime Minister Slezevicius acknowledged that weakness in the banking sector was one of the most important challenges for his government and, if not properly supervised, could limit long-term economic growth. Lithuania needs to do more to live up to this commitment. Despite several bank failures, the number of banks increased from twenty to twenty-six from 1992 to 1994.

Significant factors guiding the reform of the banking sector are the technical advice and assistance of the IMF, which in October 1994 granted Lithuania a three-year US$201 million credit, and the reforms required for membership in the European Union (EU—see Glossary). The IMF has blamed the Bank of Lithuania's loose monetary policy in part for rising inflation. Some Western observers cite the central bank's institutional weakness and lack of autonomy as the main reasons for its ineffectiveness. The EU requirements are set forth in a white paper that describes the sectoral conditions that each prospective member of the EU must satisfy prior to joining. These requirements touch on every sector of the economy. Membership in the EU is a primary goal of Lithuania's domes-

tic and national security policies. The white paper requires an efficient and open financial market and a banking system that encourages market-directed capital flows. Member states are required to pass and implement legislation concerning the soundness of banking institutions.

Lithuania's 1994 reform program included a review of the bank licensing system, privatization of the three state banks (Savings Bank, Agricultural Bank, and State Commercial Bank), a review of capital requirements to ensure compliance with international standards, and the introduction of new plans for accounts at the Bank of Lithuania and for commercial banks. The program also called on the government to pass stronger bankruptcy legislation and to ensure its enforcement.

Structure of the Economy

After the Soviet Union took control of Lithuania's economy, it developed both light industry and heavy industry to tie Lithuania into the Soviet system. As a workshop for Moscow's military-industrial complex, Lithuania reaped significant rewards. Its people enjoyed one of the highest standards of living in the Soviet Union, similar to those of Estonia and Latvia. Especially on farms, goods became visibly more abundant and life grew more comfortable during the early 1970s. The reason was simple: Brezhnev's regime in Moscow reversed policies of farm exploitation and began subsidizing farmers instead. But a chronic shortage of necessities, the poor quality of goods, and the absence of many services kept the standard of living only at East European levels—not at those of the West.

During their control of Lithuania, Soviet officials introduced a mixed industrial-agricultural economy. In 1991 industry produced about half of GDP; agriculture and trade each supplied about one-quarter.

Industry

Lithuania's industrial sector produced 51.3 percent of GNP in 1991, but industrial production has subsequently experienced declines—by a reported 50 percent in 1993, for example. The sector employed 38 percent of the labor force in 1992.

Under Soviet rule, most economic activity was centrally managed from Moscow; Lithuania managed only 10 percent of its industrial capacity. Many industrial firms worked for the military. According to President Algirdas Brazauskas, who for many years had managed Lithuania's industries as the communist

party's secretary for industry, Lithuania had a leading position as a maker of electronics for military and civilian use, and it had been a major supplier of specialized military and industrial technology to the Soviet Union.

In 1985, the year Gorbachev came to power, Lithuania accounted for just 0.3 percent of the Soviet Union's territory and 1.3 percent of its population, but it turned out a significant amount of the Soviet Union's industrial and agricultural products: 22 percent of its electric welding apparatus, 11.1 percent of its metal-cutting lathes, 2.3 percent of its mineral fertilizers, 4.8 percent of its alternating current electric motors, 2.0 percent of its paper, 2.4 percent of its furniture, 5.2 percent of its socks, 3.5 percent of underwear and knitwear, 1.4 percent of leather footwear, 5.3 percent of household refrigerators, 6.5 percent of television sets, 3.7 percent of meat, 4.7 percent of butter, 1.8 percent of canned products, and 1.9 percent of sugar.

Lithuania's key industrial sectors include energy (especially electric power generation), chemicals, machine building, metal working, electronics, forestry products, construction materials and cement, food processing, and textiles (see table 27, Appendix). The country also has a ship-building capacity, with drydocks in Klaipeda for construction and repair of ocean-going fishing vessels. It has a large cement works and an oil-refining plant with an annual capacity of refining 11 million tons of oil. In the past, both facilities produced largely for export. Lithuania's electric energy comes from hydroelectric and thermal power plants fueled by coal and oil in Kaunas, Elektrenai, Mazeikiai, and Vilnius, as well as a nuclear power plant at Ignalina (see fig. 13).

Agriculture

The agricultural sector contributed 24.0 percent of GDP in 1992 and employed 19.0 percent of the labor force. Lithuania's agriculture, efficient by Soviet standards, produced a huge surplus that could not be consumed domestically. Traditionally, Lithuania grew grain (wheat, rye, barley, and feed grains), potatoes, flax, and sugar beets, and it developed dairy farming, meat production, and food processing. About 48 percent of the arable land was used for grain, 41 percent for forage crops, 5 percent for potatoes, and 3 percent for flax and sugar beets. Crops accounted for one-third and livestock for two-thirds of the total value of agricultural output. Lithuanian agriculture,
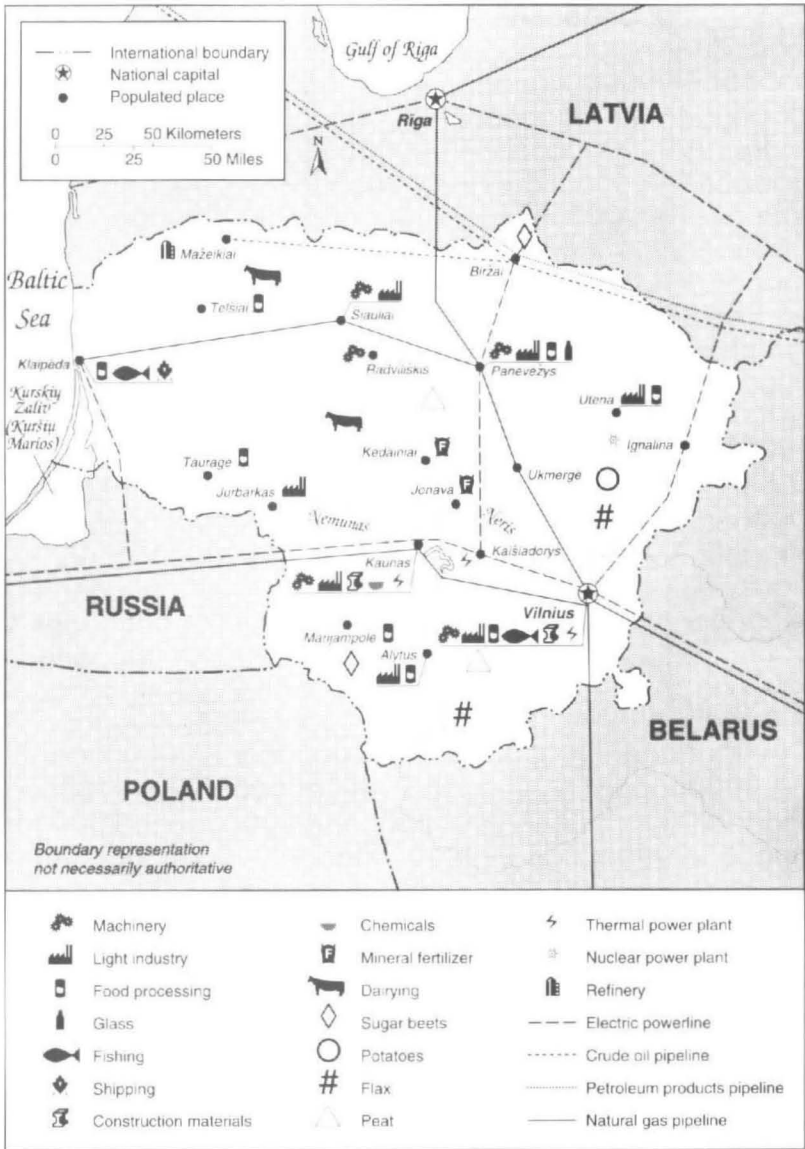
Figure 13. Economic Activity in Lithuania, 1995

which was collectivized during the early years of Soviet rule, became relatively efficient in the late 1950s when Moscow granted the communist leadership in Vilnius greater control of agricultural policy. Lithuanian farm workers were 50 percent

more productive than the Soviet average but much less productive than their Western counterparts. Similarly, Lithuanian crop yields and milk production per cow, although very high by Soviet standards, ran either equal to or much below the yields obtained by Western farms. But even in Lithuania, one-third of agricultural production came from private plots of land and not from collective or state farms. Nevertheless, Lithuanian agricultural production was high enough to allow the export of about 50 percent of total output.

Significant reforms were introduced in the early 1990s, particularly after the restoration of independence, to reestablish private ownership and management in the agricultural sector. Although Lithuania succeeded in privatizing more agricultural land than Estonia or Latvia, agricultural production decreased by more than 50 percent from 1989 to 1994. One problem is that farms were broken up into smallholdings, averaging 8.8 hectares in size, often not large enough to be economically viable. A serious drought in 1994 further reduced agricultural output and cost farmers an estimated 790 million litai in production.

Energy and Minerals

Lithuania receives more than 87 percent of its electricity from the Ignalina nuclear power plant. But Lithuania is highly dependent on fuels imported from Russia, and this energy dependence plagues Lithuania's industries. The trading relationship is unstable because political factors determine whether or not the supply will be interrupted. Energy use in Lithuania is inefficient by world standards, given Lithuania's level of economic development. In 1991 about one-half of the electricity produced at the 5,680-megawatt Ignalina nuclear power plant was exported to Belarus, Latvia, and Kaliningrad Oblast in Russia. But, partly because of reduced demand in the former Soviet republics and partly for political reasons, Lithuania's electricity exports declined substantially from 1991 to 1994.

Lithuania has large processing facilities for oil, which can be exported to the West through Ventspils (Latvia) or the new Lithuanian transport and storage facility at Butinge. Butinge is equipped with modern technology and was constructed by Western firms with funding provided by international financial institutions. This facility may allow more intensive utilization of the oil-processing facility at Mazeikiai, which has an annual

capacity of 12 million tons, one of the largest in the Baltic region. Mazeikiai needs upgrading to operate profitably.

With the exception of forests and agricultural land, Lithuania is poorly endowed with natural resources. It exports some chemical and petroleum products, but its only significant industrial raw materials are construction materials, such as clay, limestone, gravel, and sand. Its peat reserves total about 4 billion cubic meters. There are moderate oil and gas deposits offshore and on the coast. In 1993 recoverable oil reserves were estimated at 40 million tons on the coast and 38 million tons offshore.

Tourism

Lithuania may develop an important tourism industry if investments are made in its infrastructure to bring facilities up to Western standards. The resort town of Neringa was famous during the Soviet period for its excellent seaside climate. But Neringa fears the effects of too much foreign influence and wants special protection from an expected onslaught of foreign investors, most of whom come from Germany. In Vilnius and other cities, there is a shortage of quality hotels. State-owned hotels, of which there are still many, tend to provide inferior accommodations and service.

Labor Force

Lithuania had an estimated labor force of 1.9 million in 1994. Thirty-two percent of workers were employed in industry, 12 percent in construction, and 18 percent in the agricultural sector. Most of the remainder worked in a variety of activities in the services sector—14 percent in science, education, and culture; 10 percent in trade and government; and 7 percent each in health care and in transportation and communications.

Trade-union activities are specifically provided for in the constitution and are protected by legislation. The Joint Representation of Lithuanian Independent Trade Unions is an organization of twenty-three of the twenty-five trade unions and was founded October 22, 1992. Teachers and other government workers not involved in law enforcement or security work are permitted to join unions. Strikes and other confrontations between labor and management have occurred but are limited by the nascent free-enterprise system and the perception that employment alternatives are limited. Public employees organized strikes in 1992. Some Lithuanian trade unions are affili-

ated with international trade organizations, and organizational assistance has been provided by Western countries, especially the Nordic countries. Safe employment practices, regulation of workplace safety, and protection from reprisal by employers against employees who complain about illegal working conditions are provided for in the constitution. A minimum wage must be paid, and child labor is prohibited.

Transportation and Telecommunications

Lithuania's transportation system has great potential, and transit traffic by rail, road, and ship represents an important part of Lithuania's future development (see fig. 14). There were about 2,000 kilometers of railroads (1,524-millimeter gauge) in 1994, of which 122 kilometers were electrified.

There were 55,603 kilometers of roads in 1994, of which 42,209 kilometers were asphalted. The road system is good. The country is crossed by a route from Klaipeda to Minsk via Kaunas and Vilnius. A new international highway, Via Baltica, will stretch from Tallinn to Warsaw via Riga and Kaunas.

Lithuania has struggled, however, to develop its national airline, Lithuanian Airlines. Although an agreement has been reached with American Airlines, it may not be possible to restructure the company into a profitable operation because there is excess capacity in the region. Lithuanian Airlines had one B–737 and sixty-three Soviet-made aircraft in 1993. The main international airport is in Vilnius. A second international airport was opened at Siauliai in 1993. In addition to Lithuanian Airlines, service is provided by Aeroflot, Austrian Airlines, Drakk Air Lines, Hamburg Airlines, LOT (Polish Airlines), Lufthansa, Malév, SAS (Scandinavian Airlines), and Swissair. Destinations include Amsterdam, London, Paris, Copenhagen, Berlin, Frankfurt, and forty-three cities throughout the former Soviet Union.

Klaipeda is the major coastal point, and Kaunas is the major inland port. Some 600 kilometers of inland waterways are navigable year round. Lithuania's merchant fleet consists of forty-four ships, totaling about 323,505 deadweight tons, including twenty-nine cargo vessel, three railcar carrier vessels, one roll-on/roll-off vessel, and eleven combination vessels.

Lithuania has begun to modernize its telecommunications industry. A law deregulating certain aspects of telecommunications went into effect in January 1992. Private investors now have the right to offer long-distance service to the public, but

Figure 14. Transportation System of Lithuania, 1995

restrictions on the participation of foreign capital have slowed this type of activity. Both telecommunications and transportation will require large investments to modernize the infrastructure and to reform the enterprises. This sector is plagued with inefficiencies. Nevertheless, Lithuania's telephone service is among the most advanced in the former Soviet republics. There were 240 telephone lines serving 1,000 persons in the early 1990s. International connections exist via satellite from Vilnius through Oslo or from Kaunas through Copenhagen.

Lithuania has two television companies and five radio companies. In 1993 some 1.4 million television sets and more than

1.4 million radios were in use, or one per 2.7 persons. Two national radio programs are broadcast by the state-owned Leituvos Radijas ir Televizija. Radio Vilnius broadcasts in Lithuanian and English. There are national, regional, and minority language television programs.

Foreign Economic Relations

Foreign Trade

Because of its small domestic market, Lithuania is dependent on trade to ensure its prosperity. It has made impressive progress since the late 1980s. Imports declined from 61 percent of GDP in 1980 to 23 percent in 1991. Most significant, trade was shifted to Western Europe from the former Soviet Union. In 1993 three-quarters of Lithuanian exports went to the other Baltic states and the other former Soviet republics. But this percentage is projected to drop dramatically so that most exports will be to the rest of the world by 1996. In the first half of 1994, the countries of the former Soviet Union accounted for about 53 percent of Lithuania's trade, and West European markets made up about 47 percent of Lithuania's trade (see table 28, Appendix). In previous years, trade with Western markets had made up only about 10 percent of trade.

According to 1994 estimates, exports totaled approximately US$1 billion, up from US$805,014 in 1992, and imports amounted to nearly US$1.3 billion, up from US$805,776 (see table 29; table 30, Appendix). Lithuania had an overall negative trade balance of US$267 million in 1994, according to IMF estimates. An estimated surplus of US$63 million in the services account and a deficit of US$192 million in the current account resulted in a negative balance of payments overall.

When the Soviet Union imposed an economic blockade on Lithuania in April 1990, many enterprises nimbly shifted production away from goods required under central planning (for example, computers for the defense industry) to consumer goods. These transformations demonstrated the flexibility of many enterprises under difficult circumstances and set the stage for economic growth and prosperity.

Tariffs are imposed on a wide range of imported goods, but they are scheduled to be reduced gradually until 2001, when Lithuania's free-trade regime will be fully implemented. The lowest tariff schedule applies to countries with which Lithuania has most-favored-nation status. These countries, about twenty

in number, include the United States, Canada, Russia, Belarus, Ukraine, and Australia. A slightly higher tariff schedule applies to goods imported from about twenty countries with which Lithuania has a free-trade agreement, such as Estonia, Latvia and the members of the EU. These tariffs are scheduled to be reduced during the six years following 1995 and will be abolished for industrial products at the end of that time. The tariffs on food products imported from the EU are scheduled to be substantially reduced except for sugar, butter, and oil and for a limited number of other items.

Imports consist primarily of natural gas, oil, coal, machinery, chemicals, and light industrial products. Oil and natural gas are imported from Russia, natural gas is imported from Ukraine, and cotton and wool are imported from the Central Asian republics of the former Soviet Union. Lithuania exports primarily machinery, light industrial products, electronics, food products, and textiles.

On July 18, 1994, Lithuania signed a free-trade agreement with the EU that went into effect at the beginning of 1995. It calls for a six-year transition period during which trade barriers will be dismantled. The agreement grants Lithuania tariff exemptions on industrial goods, textiles, and agricultural products. Full membership in the EU is a primary goal of Lithuanian economic policy.

Foreign Debt

Lithuania did not acknowledge responsibility for any debts of the Soviet Union. The international community supported its contention that it should not be responsible for debts incurred while it was "occupied." International financial institutions, especially the IMF and the World Bank (see Glossary), issued credits to Lithuania after independence. Lithuania's total debt, which was about US$38 million at the beginning of 1993, mushroomed to US$500 million by the end of 1994. Increases in the debt to US$918 million by the end of 1996 are projected. As a percentage of GDP, the debt will rise from 3.6 percent to 10.6 percent by 1997. However, repayment terms are manageable, and the proceeds of these credits fund needed and productive investments. The large inflow of foreign credits and investments is responsible for maintaining living standards at an acceptable level in the wake of a steep decline in production in 1992 and 1993 and negative trade balances.

Dock facilities at harbor of Klaipeda
Courtesy Jonas Tamulaitis
Department store in pedestrian mall in Siauliai
Courtesy Victor Visockis

Foreign Investment

The largest foreign investor is the United States tobacco and food services company Philip Morris, which purchased the state tobacco company in Klaipeda for US$25 million in 1993. Foreign investment was critical in maintaining public support for economic reform during the first years after independence and resulted in an influx of hard currency (from foreign assistance, loans, and investment) and increased activity by the private sector. Most foreign investment came from Britain, Germany, the United States, Russia, Poland, and Austria (see table 31, Appendix). Total foreign capital invested in the country was estimated to be 551 million litai in November 1994. About three-quarters of the foreign investors were involved in joint ventures.

Lithuania's Law on Foreign Investments, introduced in 1990 and amended in 1992, guarantees the unrestricted repatriation of all after-tax profits and reinvested capital. A new draft of this law places restrictions only on foreign investment in sensitive industries, such as defense and energy. Foreign investors receive generous profit tax rebates of up to 70 percent. A draft amendment to the constitution would lift the prohibition on landownership by foreigners. Nevertheless, in part because of the growth of organized crime, Lithuania's ability to attract more foreign investment has been impaired. Neste, the Finnish oil company that operates twelve gas stations in Lithuania, halted future investment after an attack, presumably carried out by organized crime, on a company representative in Klaipeda in October 1994.

Lithuania in 1994 received a number of foreign loans, including ECU10 million (for value of the European currency unit—see Glossary) over fifteen years from the European Investment Bank (EIB) for reconstruction of the airport in Vilnius and an ECU14 million loan from the EIB for reconstruction of the port of Klaipeda. Other foreign loans included a US$25 million agricultural sector loan from the World Bank, and loans of ECU22 million and ECU9 million from the European Bank for Reconstruction and Development (EBRD) and Japan's Export-Import Bank, respectively, for the modernization of the country's telecommunications system. The EBRD also disbursed US$6 million in 1993 as part of an ECU36 million energy infrastructure loan. By February 1994, the World Bank had disbursed US$45 million of a US$60 million import rehabilitation loan approved in 1992. Lithuania obtained an

ECU33 million loan in 1994 from the EBRD to improve safety at the Ignalina nuclear power plant and a seventeen-year US$26.4 million loan to refurbish its coal- and oil-fired power plant.

Reform Yields Results

Lithuania experienced initial difficulties with economic reform, especially with reform of agriculture, because of the government's insistence that social welfare levels be retained and that privatization of enterprises would be subject to regulations forbidding the elimination of jobs and employee services. Mistakes in fiscal policies, especially those committed by the Bank of Lithuania, and the increase in energy and other prices by Russia, as well as difficulties with payments for goods exported from Lithuania, also fueled inflation, promoted a black market, and emptied the stores. Production decreased. In 1993 industrial production dropped more than 50 percent compared with 1991. Agricultural production declined by 39 percent. Unemployment, including partial unemployment, rose from 9,000 to more than 200,000. By the end of 1992, the lack of heat and shortages of hot water in wintertime were conspicuous evidence of a deep economic crisis in the land.

Nevertheless, the economic decline was considered to be of a temporary nature, caused by the difficulties of the transition—common to former Soviet states—to a free-market economy. The IMF and the World Bank were satisfied with privatization and reform efforts, and the latter provided a development loan of US$82 million. On a scale of zero to ten, Germany's Deutsche Bank in 1991 ranked Lithuania's potential for agricultural production as ten and for industrialization as approximately eight. Promising sectors for future profitable investment include building materials, electricity, transportation, and tourism.

Government and Politics

Lithuania is an independent democratic republic. Its new constitution is that of a presidential democracy with separation of powers and a system of checks and balances. In some ways, the institutional structure of the government is similar to that of the United States; however, it is closer to the system former French president Charles de Gaulle gave to the Fifth Republic

of France—a strong presidency leading a parliament divided into many factions.

The Constitutional System

On the same day that Lithuania declared independence on March 11, 1990, its parliament adopted a provisional constitution, called the "provisional basic law," which established a framework for the new state's government. The constitution comprehensively listed guarantees of democratic rights and rules of democratic process, but basic elements of the Soviet-style government were maintained. Thus, legislative and executive functions were combined under the leadership of parliament, and the court system was kept totally dependent on legislative definitions and appointments. The legislature's name—Supreme Soviet—also was maintained. Its presidium became the foremost leadership body, and the chairman of the presidium became the chief of parliament, of state, and, in effect, of the executive. The provisional basic law, too, was made relatively easy to change.

Despite its democratization, the Soviet model quickly proved that it was not suitable for a new, substantively democratic system of government. It took two years of conflict and frustration, however, before contending parties agreed to a compromise between a parliamentary system of legislative superiority with a figurehead president and a very strong presidential system in which the legislature would be at best coequal with the president.

The constitution was approved by the voters in a referendum on October 25, 1992. Seventy-five percent of those voting favored the document. Thus, it was adopted by a solid majority, although the percentage of voters participating in the referendum was smaller (57 percent) than had been the case in most elections until then.

The constitution of 1992 reflects the institutions and experiences of the United States, France, and Germany as integrated into Lithuanian tradition. It also incorporates guarantees of a social safety network inherited from the Soviet Union. In its introductory provisions, the document not only places a high value on democracy but also asserts the right of defense against attempts by force to encroach upon or overthrow "state independence, territorial integrity, or the constitutional system" (Article 3). It also disallows division of Lithuanian territory into any "statelike structures"—an obvious reference to territo-

rial autonomy as a solution to ethnic minority problems in the country. Furthermore, the status of Lithuania as an "independent democratic republic" can be changed only by a referendum and only if three-fourths of Lithuanian citizens approve it. Similarly, the first seventeen articles (which define the characteristics of the state, citizenship, state language, and symbols) and Articles 147, 148, and 149 (which determine the methods for constitutional changes or amendments) can be altered only by a referendum. Article 150 of the constitution forbids Lithuania from joining the Commonwealth of Independent States (CIS—see Glossary). Finally, the constitution incorporates the declaration of independence of March 11, 1990.

Fundamental human rights and democratic values, including freedom of "thought, faith, and conscience," are enshrined in the constitution, which also guarantees the status of legal person to religious denominations and allows religious teaching in public schools. In addition to personal, political, and religious rights, the constitution secures social rights. As already noted, these include free medical care, old-age pensions, unemployment compensation, and support for families and children.

The power to govern is divided between the legislative and executive branches, with an independent judiciary acting as interpreter of the constitution and of the branches' jurisdictions, as well as arbiter of conflicts between them. The constitution clearly acknowledges the danger of concentration of power in a single person or institution. The legislature has regained its old name, Seimas, which was used in the interwar years. The executive consists of a president and a prime minister with a cabinet, known as the Council of Ministers. The judiciary is composed of the Supreme Court and subordinate courts (the Court of Appeals, district courts, and local courts), as well as the Constitutional Court, which decides on the constitutionality of acts of the Seimas, the president, and the government.The Office of the Procurator General is an autonomous institution of the judiciary. Creation of special courts, such as administrative or family courts, is allowed, although establishing courts with "special powers" is forbidden in peacetime.

The parliament consists of 141 members, seventy elected from party lists on the basis of proportional representation and seventy-one from single-member districts. To be seated in the Seimas on the basis of proportional representation, a party

must receive at least 4 percent of the votes cast. An exception is made for ethnic minority groups, however, which do not need to pass the 4 percent threshold. The legislature is elected for four years. Candidates for the legislature must be at least twenty-five years old. Members of the Seimas may serve as prime minister or cabinet member, but they may not hold any other position in either central or local government or in private enterprises or organizations. The parliament must approve the prime minister, as well as his or her government and program. It also may force the government's resignation by rejecting twice in sequence its program or by expressing no confidence by a majority of legislators in secret ballot.

The powers of the legislature are checked by a number of devices: first, by certain constitutional limitations; second, by the president as defined under the constitution; and third, by the Constitutional Court. Articles 64, 131, and 132 of the constitution circumscribe the ability of the Seimas to control the government, especially the budget. Article 64 specifies the times of parliamentary sessions. Although extension is possible, ordinarily the legislature cannot sit longer than seven months and three days, divided into two sessions. The budget submitted by the government can be increased by the legislature only if the latter indicates the sources of financing for additional expenditures. If the budget is not approved before the start of the budget year, proposed expenditures cannot be higher than those of the previous year. Finally, the legislature is not entrusted with making decisions concerning the basic characteristics of Lithuanian statehood and democracy. These are left to the citizens by means of referendum. Similarly, the initiative for making laws is not limited to the legislature but also belongs to the citizens, who can force the legislature to consider a law by submitting a petition with 50,000 signatures.

The powers of the legislature are further checked by those of the president, who may veto legislation, both ordinary and constitutional, passed by the legislature. Normally, laws are not promulgated without the signature of the president. A presidential veto can be overridden, but only by an absolute majority of the Seimas membership. The president can also dissolve the parliament if it refuses to approve the government's budget within sixty days or if it directly votes no confidence in the government. However, the next elected parliament may retaliate by calling for an earlier presidential election.

The president is elected directly by the people for a term of five years and a maximum of two consecutive terms. The president is not, strictly speaking, the chief of the executive branch or the chief administrator. The Lithuanians borrowed the French model of the presidency, then adapted it to their needs. Candidates must be at least forty years old. To be elected in the first round, 50 percent of the voters must participate and a candidate must receive more than half of the total votes cast. If 50 percent of the voters do not participate, a plurality wins the presidency unless it constitutes less than one-third of the total vote. If the first round does not produce a president, a second round is held within two weeks between the two top candidates. A plurality vote is sufficient to win.

The president is the head of state. The president also selects the prime minister (with the approval of the Seimas), approves ministerial candidates, and appoints the commander in chief of the armed forces—with legislative confirmation. The president resolves basic foreign policy issues and can confer military and diplomatic ranks, appoint diplomats without legislative approval, and issue decrees subject to the legislature's right to later overturn a decree by legislative action.

Finally, the president has considerable powers to influence the judicial branch. The president has the right to nominate (and the Seimas to approve the nomination of) three justices to the Constitutional Court and all justices to the Supreme Court. The president also appoints, with legislative approval, judges of the Court of Appeals. However, legislative confirmation is not required for the appointment or transfer of judges in local, district, and special courts.

The Constitutional Court checks both the legislative and the executive branches of government by ruling on whether their legislation and/or actions are constitutional. The court consists of nine justices appointed by the legislature, three each from the nominees of the president, the parliamentary chairman, and the chief justice of the Supreme Court. The president nominates the chief justice of the Constitutional Court. Cases for consideration by the Constitutional Court, however, may be brought only by one-fifth of the membership of the Seimas, the ordinary courts, or the president of the republic.

Politics

The new system of government became operative with the election of President Algirdas Brazauskas in February 1993.

Brazauskas came from the Lithuanian Democratic Labor Party (LDLP), successor to the Communist Party of Lithuania. The Brazauskas government surprised many of its critics during 1994 by its continued commitment to rapid economic reform and to Lithuania's independence. Rural interests, which formed the bedrock of support for the LDLP, were unhappy with the failure to roll back implementation of the free market in agriculture and with the breakup of centralized state farms and cooperatives.

Since the declaration of independence, Lithuanian politics have been stormy, especially the struggle between the former Communist Party of Lithuania and the movement for independence, Sajudis. On its own, the Communist Party of Lithuania had won only twenty-three seats out of the 141 seats in the March 1990 parliamentary elections. Sajudis and other political parties that supported independence had won a majority. In addition, the Lithuanian Social Democratic Party (LSDP) won nine seats; the Christian Democratic Party of Lithuania (CDPL), two; the Lithuanian Democratic Party (LDP), two; and the Lithuanian Green Party, four. Noncommunist parties were in their infancy—small and weak. Seventy members of parliament did not belong formally to any party, although virtually all of them were ideologically close to Sajudis.

Parliamentary organization was complicated by the numerous parliamentary factions, unrelated to party strength or differentiation in society. Parliamentary factions had no fixed constituencies to which they were accountable. In 1992 there were nine parliamentary factions and a nonfaction group consisting of twenty independent deputies. The largest was the Center faction (eighteen members), followed by the Moderates (sixteen), the LDLP (twelve), the Liberals (ten), the Poles (eight), and the Nationalists (nine). The United Sajudis faction had sixteen members, and the Santara faction of Sajudis had ten.

The weakness of the LDLP was deceptive. This group had lost adherents in the parliament, but in April 1990, while still known as the Communist Party of Lithuania, it won approximately 40 percent of the votes—and offices—in local elections. It was strong in small towns and rural areas. Later in 1990, these reformist communists adopted a new name and an essentially social democratic program, gaining a new lease on political life.

Sajudis headquarters in winter, Vilnius
Courtesy Stanley Bach

In this political landscape, the position of chairman of the presidium of the Supreme Soviet (de facto president) was won in May 1990 by Vytautas Landsbergis, the president of Sajudis and a professor of musicology who had never been a member of the Communist Party of Lithuania. Landsbergis defeated the former leader, Brazauskas, by two-thirds of the vote. Brazauskas refused to accept the position of deputy chairman. Kazimiera Prunskiene, an economist, was chosen as prime minister, whereupon she immediately quit the Communist Party of Lithuania. Brazauskas agreed to serve as one of the deputy prime ministers. The other deputy prime minister was Romualdas Ozolas, a philosopher and former communist who eventually joined the Center faction in the parliament.

Soon, however, a conflict developed between Landsbergis and Prunskiene, primarily over Lithuania's response to the 1990 Soviet blockade. Landsbergis stood firm and defiant.

Prunskiene, after visiting Western leaders, pursued compromise with the Soviet Union, as suggested by these leaders. In early 1991, Prunskiene took the first radical steps in economic reform, but the Sajudis forces used that action to unseat her. A fellow economist, Albertas Simenas, was chosen as her successor, but he temporarily disappeared during the turmoil created by the Soviet army, which staged a putsch against the Lithuanian government and on January 13, 1991, massacred unarmed civilians. Landsbergis summoned the people to defend the parliament. His heroic determination and leadership won him further domestic recognition as a national leader and a favorable international reputation abroad. For a moment, all political groups united against Soviet aggression. Lithuanians refused to participate in Gorbachev's referendum on the continuation of a federal union and instead held their own "national poll," which confirmed overwhelming support for independence. However, unity did not last long.

In Simenas's absence, Gediminas Vagnorius became prime minister. He initiated economic reforms and continued the political struggle against Brazauskas's party that Landsbergis had begun in the spring of 1990. Vagnorius's efforts frequently were frustrated by the parliament, and the LDLP formally declared opposition to the government in the fall of 1991. Reform measures, especially in agriculture, were not successful. His struggle with the leadership of the Bank of Lithuania over the introduction of a Lithuanian currency, the litas, was unsuccessful because neither the bank nor a majority in parliament supported his program.

In the meantime, the strength of the Sajudis group and of the coalition in parliament that supported Vagnorius was withering. The leadership of the independence movement, furthermore, was gradually shifting to more conservative nationalist positions after the third conference of the movement in December 1991. Anticommunist activities were facilitated by access to KGB archives, and past collaboration with the KGB was made a political issue. The atmosphere was not improved by the ultimately unsuccessful attempts by Sajudis to pass a law that would temporarily bar from public office certain categories of former officeholders in the communist party power structure. The attempt sharpened confrontation between the nationalist and former communist party forces. Landsbergis sought to strengthen the powers of the executive branch and

his own position by establishing an executive presidency. But on May 23, 1992, his proposal failed in a referendum.

After several attempts in parliament to remove the unpopular prime minister in the summer of 1992, Vagnorius had to resign in July, and new parliamentary elections were agreed upon for October. Aleksandras Abisala, another Sajudis leader, took over from Vagnorius with the acquiescence of the opposition. However, neither his attempts to correct the economic situation nor his conciliatory politics improved Sajudis's chances in the upcoming elections of October 25, 1992.

Seventeen groups or coalitions ran candidates for the 141 seats of the new parliament, the Seimas, but some did not muster enough votes for the 4 percent threshold. Against everyone's expectations—and even to Brazauskas's own surprise— the LDLP and its satellites won an absolute majority of seventy-three seats (51 percent). Landsbergis's forces still hoped for a strong showing of their coalition, but the Sajudis-Santara coalition succeeded in winning only sixteen seats, including three contested ones. The Social Democratic representation decreased to eight seats, the Christian Democrats increased to ten, and the Center barely squeaked through with two victories in single-member districts but did not meet the 4 percent threshold for seats elected by party lists. Three new groups entered the parliament—the Citizens Charter with ten seats; Political Prisoners and Exiles with twelve; and the Christian Democratic Association, a splinter of the Christian Democratic Party with one. One seat was won by an independent. The Polish minority, however, was able to win four seats because it was not required to reach the 4 percent threshold.

The significance of the parliamentary elections result was threefold: the nationalist forces of Landsbergis were crushed, the postcommunist politicians led by Brazauskas made an amazing comeback, and the political center in the parliament was destroyed. Neither the Center nor the Liberal faction met the 4 percent threshold for seats elected by party lists. Political polarization of the country was confirmed: there was a strong and well-organized left, and there was a weak, shattered, and splintered right.

The polarization was even more conspicuously demonstrated in the direct presidential election of February 14, 1993. The Lithuanian ambassador to the United States, Stasys Lozoraitis, lost to Brazauskas, who won majorities everywhere except in the urban district of Kaunas. The final vote was 61.1 percent

for Brazauskas and 38.2 percent for Lozoraitis. Brazauskas was catapulted to office by the rural population. His majority was increased by the vote from urban districts with Polish or Russian majorities. Brazauskas won for the same reasons his party earlier captured the majority in the parliament: economic crisis, disappointment with Sajudis, dislike of the once very popular Landsbergis, and, most of all, the electorate's trust in Brazauskas as a well-known and popular candidate whose campaign succeeded in portraying the ambassador as a "foreigner" ignorant of Lithuania's concerns.

The Western press saw the election as a victory for former communist party members who would stop reform and return Lithuania to some sort of association with the former Soviet Union. However, the LDLP was no longer communist, and, although sympathetic to Russia, it was committed to Lithuania's independence. The new president stated repeatedly that he would preserve Lithuania's independence, although Landsbergis, now in the role of opposition leader, continued to warn of threats to Lithuania's status as an independent state. Brazauskas resigned as leader of the LDLP, as required by the constitution.

Shortly after the election, President Brazauskas appointed Raimundas Rajeckas, a distinguished economist with an academic background, as his special counsel. Rajeckas had been associated with Harvard and other Western universities and had served as Brazauskas's campaign manager. He functioned as a "deputy president." Brazauskas also accepted the resignation of Prime Minister Bronislovas Lubys and chose as his successor an economist, Adolfas Slezevicius, president of a private joint Lithuanian-Norwegian company and former deputy minister of agriculture for dairy and meat production. Slezevicius continued to implement Lithuania's political and economic reforms while pursuing an improved relationship with Russia.

Mass Media

The collapse of the communist system brought about the privatization of most publishing. Although the government still plays a role in book publishing, all newspapers and journals are privately owned, usually by limited stock companies or by private individuals. The number of periodicals has increased dramatically, and competition is intense. There are several main dailies. *Lietuvos aidas* was first published by the Landsbergis government but is now private, although editorially it supports

Landsbergis and Sajudis. *Lietuvos rytas,* an independent daily, leans slightly to the left and is very conscious of the power and responsibility of the press. It is edited by the former editor of *Komjaunimo tiesa,* the largest daily in Lithuania, and has a circulation of more than 100,000. *Tiesa* now is the voice of the Democratic Labor Party after previously being published by the Communist Party of Lithuania. *Respublika,* founded and owned by a prize-winning journalist and former member of the Soviet Union's Congress of People's Deputies, specializes in "investigative journalism" and leans to the left.

In 1990 Lithuanian newspaper circulation and book publishing suffered a decline because of a shortage of paper, a result of the Soviet economic blockade. In 1989 Lithuanian newspaper circulation per 1,000 inhabitants was 1,223—higher than in Latvia (1,032) but lower than in Estonia (1,620). Annual circulation of magazines and other periodicals was eleven copies per inhabitant (compared with twenty-eight in Latvia and twenty-six in Estonia). Annual book and booklet publication was six copies per inhabitant (compared with six in Latvia and twelve in Estonia).

Library statistics indicate that newly published books and current periodicals are accessible to readers in remote rural areas. Lithuania had 1,885 libraries in the early 1990s, compared with 1,318 for Latvia and 629 for Estonia.

Foreign Relations

The course of Lithuania's foreign policy in the 1990s has been more stable than its domestic politics. This has been demonstrated by the fact that between March 1990 and November 1992 it had five prime ministers but only one minister of foreign affairs. Since independence the cornerstone of Lithuanian foreign policy has been integration with European security institutions: the Organization for Security and Cooperation in Europe (OSCE; until January 1995 known as the Conference on Security and Cooperation in Europe—see Glossary), the Council of Europe (COE), the European Union (EU), the North Atlantic Cooperation Council (NACC), the World Trade Organization (WTO), and ultimately, the North Atlantic Treaty Organization (NATO). Lithuania is a member of the OSCE, the COE, and the NACC and is an associate member of the EU. It hopes eventually to join the EU, the WTO, and NATO, and progress was made toward these goals in 1994.

In the beginning, Lithuania's aims were more fundamental. Lithuania's sole foreign policy concern in 1990 was to gain international recognition of the restored Lithuanian state. However, efforts directed at Gorbachev on the one hand and the Western powers on the other hand bore no fruit. Gorbachev could not afford the political cost of recognizing Lithuanian independence, nor did he believe in Lithuania's right to statehood. The West's attitude, according to Egon Bahr, a German foreign policy expert, was "We'll throw you a life preserver after you learn how to swim." Gorbachev informally agreed not to use force, and the West did not push him to permit Lithuanian independence.

However, after the Vilnius massacre of January 13, 1991, which revealed that Gorbachev had authorized attempts to overthrow Lithuania's government, Western states broke ranks. The first was Iceland, which declared that it recognized Lithuania's sovereignty. Iceland had extended recognition in 1922 and had never reneged on it. Next, Denmark expressed its commitment to early recognition. Paradoxically, the greatest appreciation of Lithuania's needs came from Russia. After learning about the Vilnius massacre, Russian president Boris N. Yeltsin met with Baltic leaders in Tallinn and expressed solidarity with Lithuania. This expression gained legal status on July 29, 1991. On that day, United States President George H.W. Bush signed the Strategic Arms Reduction Talks (START) treaty with Gorbachev in Moscow, and Yeltsin and Landsbergis signed a treaty "on the basis of relations" between the Republic of Lithuania and the Russian Soviet Federated Socialist Republic. The crucial item of the treaty was Article 1, which stated that "The High Contracting Parties recognize one another as full-fledged subjects of international law and as sovereign states according to their state status as established by the fundamental acts adopted by the Republic of Lithuania on 11 March 1990 and by the Russian Soviet Federated Socialist Republic on 12 June 1990." Lithuanians hastily ratified the treaty on August 19, 1991, the same day as a coup was carried out by conservative forces in Moscow against Gorbachev. It was not until January 17, 1992, however, that Russia ratified the agreement.

After the coup failed, the international community quickly recognized the independence of Lithuania and the other Baltic states. In September 1991, President Bush renewed the United States recognition of Lithuania of 1922 and announced that an ambassador would be sent to Vilnius. The Soviet Union

recognized Lithuania's independence on September 6, 1991. On the recommendation of the United States and the Soviet Union, Lithuania was admitted to the United Nations (UN) on September 16. Then on December 21, the Soviet Union collapsed as a legal entity, and on December 24 Yeltsin informed UN secretary general Javier Pérez de Cuellar that the Russian Federation had assumed "all rights and obligations of the USSR." Thus, Russia still was, for all practical purposes, the Soviet Union, only under different leadership.

Once Lithuania joined the UN, Landsbergis indicated the next priorities of Lithuania's foreign policy: to join all accessible international organizations, and to legally strengthen the status of the new state while working toward the withdrawal of Russian troops, regarded by Lithuanians as an occupying force, from Lithuania. The Russian military strongly opposed this demand, claiming that the troops had no place to go. The commander of the Baltic Military District believed the troops would leave only after several years. Russian foreign minister Andrey Kozyrev suggested a "status of forces" agreement to legalize the Russian troop presence. In June 1992, the Baltic Council, a consultative body of Baltic leaders, appealed to the CSCE, the UN, and the Group of Seven (Canada, France, Germany, Italy, Japan, Britain, and the United States). The Group of Seven, the CSCE, and the UN, as well as NATO, counseled the Russians to set a definite withdrawal date. After protracted negotiations, Russia agreed to withdraw its troops from Lithuania. An agreement was signed in Moscow on September 8, 1992, setting the deadline for withdrawal at August 31, 1993, a year earlier than expected.

The withdrawal of Russian troops was completed on time, opening a new chapter between Russia and Lithuania and encouraging closer economic and other relations. When Lithuania first declared independence from the Soviet Union and tried to negotiate its status with the Gorbachev administration, it did not achieve its goals. But after the dissolution of the Soviet Union, Moscow and Vilnius tried to put the past behind them, even though the Soviet Union had imposed an economic blockade and had used violence to force Lithuania to renounce independence. Although diplomatic relations between the two countries were established in 1991, Russia did not send an ambassador to Lithuania until 1992, and Lithuania reciprocated only in March 1993. Relations between Vilnius and Moscow were often unsettled by press reports of violations

of Lithuanian airspace throughout the first half of the 1990s. Despite a desire to control air traffic within its borders, Lithuania has been unable to come to an agreement with Russia to regulate air transit. The two countries did, however, sign an economic cooperation agreement in November 1993.

Preoccupied with Russia and with the West, Lithuanian policy makers had somewhat neglected Lithuania's other neighbors, especially Belarus and Ukraine. Nevertheless, trade with Belarus expanded, and a border agreement was reached. Ukrainian president Leonid Kuchma's administration was supportive of Lithuanian sovereignty, and the two countries signed an economic cooperation agreement in February 1994. Vilnius focused on a rapprochement with Poland, which resulted in a treaty of cooperation covering various fields, including defense, and providing even for joint maneuvers of their armed forces. The agreement was signed during a visit to Lithuania by Polish president Lech Walesa in April 1994 and was ratified by Lithuania in October 1994.

Lithuania seeks closer relations with Scandinavia. The Swedish king and the Danish queen have visited Lithuania. Close economic ties are being developed with Norway and Denmark. Denmark cooperates closely with Lithuania in military affairs and has agreed to train Lithuanian military units to serve as UN peacekeepers in the former Yugoslavia.

In relations with Western Europe and the United States, Lithuania has two main objectives. The first is economic cooperation and attracting Western capital to boost Lithuania's economy and to help with the transition to a free market and democracy. The second objective is to gain security guarantees so that Lithuania and the other Baltic states would not be left alone to face any threat from Russia. Vilnius has pursued these objectives by demonstrating its respect for Western values and by negotiating bilateral trade agreements, tax treaties, and consular and other agreements with West European countries and the United States.

National Security

If permanence of policy-making personnel is an indication of policy continuity, Lithuania's defense policy in the early 1990s has been even more consistent than its foreign policy. Audrius Butkevicius, a young physician, was appointed minister of defense in Prunskiene's government in 1990 and served several years under five prime ministers.

Lithuania's struggle for independence was a peaceful revolution in which violence was not used. Thus, Lithuania's government did not inherit guerrilla forces or special troops, only the regular law enforcement agencies that chose to support independence. Following the declaration of independence, however, the Sajudis governments paid attention to the development of some defensive capability, and budgetary appropriations increased until 1993 when they stabilized at 1 percent of the budget, or at least 1 percent less than appropriations for education and culture and 3 percent less than those for medical care and other health services.

Butkevicius maintained that Lithuanian defense policy has the goal of responding to three threats to Lithuania's national security. First, Lithuania is highly vulnerable to threats from beyond its borders because of its location. Second, Lithuania's internal security and the defense of its borders are also challenged by instability within the former Soviet Union and by authoritarianism and nationalism expressed by certain political parties and movements in Russia. Finally, Lithuania's domestic peace is threatened by the growing problem of organized crime, which destabilizes social institutions and is accompanied by smuggling—of drugs, weapons, and aliens—as well as by violent crime. These threats are countered in part by participating in the activities of the NACC, the OSCE, and the Western European Union (WEU). Moreover, Lithuania is developing good bilateral relations with the other Baltic states and with Poland and Belarus, and it is improving its relations with Russia. Another important forum in which threats to Lithuania's national security can be countered is the Nordic Council (see Glossary). Butkevicius has coordinated policies and enhanced ties with the Nordic countries, especially with Denmark.

Lithuania's main defense accomplishments so far have been the withdrawal of Russian military forces, the establishment of an army, and association with NATO. An agreement signed with Russia in September 1992 committed Russia to removing its troops by August 31, 1993. Withdrawal was completed on time. The Lithuanian army slowly began taking shape in the fall of 1991 but was not formally established until November 19, 1992.

Lithuania's contacts with NATO have been numerous. Most important, Lithuania joined NATO's Partnership for Peace program. Reciprocal visits by officials have been supplemented by NATO naval unit visits to Klaipeda, Lithuania's only major

port. An American frigate was among the visitors in 1992. Together with Poland, Lithuania has participated in several NATO war exercises, the first of which was "Baltops 1993," held in June in the Baltic Sea. Baltops continued in subsequent summers.

Lithuania remains especially concerned about the Russian presence in the Baltic region, which will be permanently based in the exclave of Kaliningrad. Although Russia has said it will gradually reduce the numbers of its military forces there, there are currently tens of thousands of military personnel in Kaliningrad Oblast.

Armed Forces

The information available on Lithuania's defense establishment indicates that Lithuania's "security structure" includes armed forces run by the Ministry of Defense; a domestic police force subordinate to the Ministry of Interior; and a Parliamentary Defense Service that protects the parliament and the president of the republic. The chief of the Internal Security Agency insists that the agency—successor to some of the KGB's functions—has no security force, although he thinks that there ought to be a budget to establish a force to deal with criminal and subversive elements. Under Soviet rule, the KGB had its own army and also controlled the border guard.

The president of the republic chairs the State Defense Council, consisting of the prime minister, the speaker of the parliament, the minister of defense, and the chief of the armed forces. All of those people, except the speaker, are appointed by the president; therefore, the State Defense Council is likely to be dominated by the president. The council considers and coordinates the most important questions of national defense. The government, the minister of defense, and the chief of the armed forces are responsible to the Seimas for the management and leadership of the armed forces. The minister of defense must be a civilian or a retired military officer.

Total armed forces in 1994 numbered about 8,900, including a 4,300-member army, 350-member navy, 250-member air force, and 4,000-member border guard. A coast guard, which is modeled on the United States Coast Guard, is being established. There is also a 12,000-member Home Guard force. The army's equipment includes fifteen BTR–60 armored personnel carriers. The navy has two small Soviet Grisha-III frigates, one Swedish and two Soviet patrol craft, and four converted civilian

vessels. The air force's equipment includes twenty-four Soviet An–2, two Czechoslovak L–410 and four L–39 aircraft, and three Soviet Mi–8 helicopters. Germany has donated jeeps and uniforms for Lithuania's armed forces.

The Home Guard is organized on the Scandinavian model and protects borders, strategic facilities, and natural resources. Lithuania's military structure also includes civil defense forces, which provide administrative control of hazardous facilities, transportation, and special rescue services. The national security service is part of the Ministry of Interior and is responsible for the fight against organized crime.

The constitution calls for one year of compulsory military training or alternative service (for conscientious objectors). Conscription for defense forces started in December 1991. However, of the 20,000 annually eligible and legally obligated young men, only 6,000 were inducted in 1992. This rate is expected to continue. Women are not called to duty, and there are no plans for them to serve in the military.

In the opinion of the commander of NATO forces in Northern Europe, Lithuanian troops are well trained by Western standards. In the past, Lithuanians trained in France's military antiterrorism school, and some Lithuanian officers and non-commissioned officers have attended military schools in the United States, France, and Denmark.

Crime and Law Enforcement

Crime increased dramatically in Lithuania in the 1990s. The number of reported crimes per 100,000 inhabitants in 1990 was 992. This number increased to 1,197 in 1991, to 1,507 in 1992, and to 1,612 in 1993. Both violent crimes and crimes against property increased substantially over this period. So far, law enforcement bodies, such as the Ministry of Interior, have been ineffective in combating this problem because information about their repressive activities during the Soviet period has discouraged public support. The law enforcement bodies have difficulty combining respect for the rule of law with aggressive intervention against crime, and criminals have expanded their activities.

The Ministry of Interior is responsible, along with local police forces, for fighting crime in Lithuania. Retraining, cooperation with foreign and international police forces, and a concentrated effort to rebuild public support have been emphasized to achieve a more effective police force. The Ministry of

Interior was expected to claim 20 percent of the state budget in 1995, according to a parliamentary deputy. In August 1994, the cabinet decried widespread corruption in the customs service. A commodity exchange president claimed later that year that 70 percent of imports into Lithuania were sold on the black market.

While violent crime continued to increase in 1994, property crime decreased. Overall crime dropped 19 percent in the first quarter of 1994 compared with the same period in 1993. Premeditated murder and attempted murder increased about 59 percent, and theft increased about 83 percent.

Organized crime is a serious problem in Lithuania. It en-.gages in violent crime as well as in smuggling aliens, drugs, radioactive materials, and weapons. The son of Georgi Dekanidze, head of the notorious Vilnius Brigade, an organized crime ring, was to be executed in 1995 for the murder of a journalist who had been investigating organized crime. Dekanidze reportedly threatened in November 1994 to blow up the Ignalina nuclear power plant if his son were executed.

Penal Code and Prisons

The Office of the Procurator General is an independent institution responsible for enforcing the penal code and ensuring that detention of criminal suspects is based on reliable evidence of criminal activity. A magistrate must approve detention after seventy-two hours, and the right to counsel is guaranteed by law. Shortages of qualified attorneys limit this right in practice, however. Capital punishment is still legal but is rarely used.

Prison conditions in Lithuania are primitive, a legacy of the Soviet period, but have not been the subject of international concern or criticism to the same extent as in Russia and other former Soviet republics. Human rights organizations are active in the country, and their right to exist and operate is not challenged by the government. Lithuania, as part of its accession to the Council of Europe, submitted to an intensive investigation of its human rights practices and respect for democratic values. The UN High Commissioner for Human Rights, José Ayala Lasso, visited Lithuania in 1994 and stated that human rights and democratic values are respected in Lithuania. He suggested, however, that Vilnius needs to ratify conventions concerning racial discrimination, torture, and protocols on capital punishment, refugees, and persons without citizenship.

Outlook

Lithuania has started down the road of political and economic reform. If the government is able to hold its course, improved living standards and personal freedom will result. However, there will be significant obstacles on the road ahead. The most pressing challenge is to complete economic and political reforms in order to join the EU and reap the benefits of participating in the unified European market. These changes may upset ties between economic groups and political elites, particularly in the banking sector. Prime Minister Slezevicius has underscored the sweeping changes necessary in the banking sector as part of this process.

Lithuania's greatest security challenge arises from its often difficult relationship with Russia. Russia's large military presence in neighboring Kaliningrad is a source of tension because these military facilities are resupplied by rail routes that run through Lithuania. Russia and Lithuania currently regulate this transit through a "temporary" arrangement that was set up to expedite the transit of Russian forces withdrawing from Germany. All Russian military forces are now out of Germany, but the temporary arrangement continues until a satisfactory agreement can be negotiated. Russian military personnel have frequently violated Lithuanian regulations governing transit and have occasionally shown a lack of respect for Lithuania's status as a truly independent nation. It remains to be seen whether Lithuania will be able to balance the challenges posed by Russian military transit with its need to maintain good political and economic relations with Russia.

Economic relations with Russia over the near term will gradually diminish in importance as Lithuania reorients its goods and services toward the European market. But in the long run, if Russia respects Lithuania's sovereignty and if Russia continues its process of market reform and democratization, economic relations should begin to increase in importance. This can only occur if the two nations find stability in their bilateral relationship and mutual advantage in joint trade and investment.

*   *   *

Among the best sources of information concerning the emergence of the Lithuanian state and national identity are

Alfred E. Senn's *Lithuania Awakening* and *The Emergence of Modern Lithuania. Nations and Politics in the Soviet Successor States,* edited by Ian Bremmer and Ray Taras, includes an excellent essay on Lithuania by Richard Krickus. On Lithuania's transition to a market economy, the World Bank has published a comprehensive study, *Lithuania: The Transition to a Market Economy,* based on extensive field work and statistics from 1991. The Economist Intelligence Unit, which published a 1995 *Country Profile: Lithuania,* issues quarterly updates in its *Country Report: Baltic Republics: Estonia, Latvia, Lithuania.* The Lithuanian government also publishes quarterly statistics that give an in-depth look at the transition to a market economy. (For further information and complete citations, see Bibliography.)

Appendix

Table

Table 1. Metric Conversion Coefficients and Factors

When you know	Multiply by	To find
Millimeters........................	0.04	inches
Centimeters.......................	0.39	inches
Meters............................	3.3	feet
Kilometers	0.62	miles
Hectares	2.47	acres
Square kilometers	0.39	square miles
Cubic meters	35.3	cubic feet
Liters	0.26	gallons
Kilograms	2.2	pounds
Metric tons	0.98	long tons
....	1.1	short tons
....	2,204.0	pounds
Degrees Celsius (Centigrade)	1.8 and add 32	degrees Fahrenheit

Table 2. Estonia: Total Population and Population by Nationality, Selected Years, 1922–89 (in percentages)

Nationality	1922	1934	1959	1970	1979	1989
Estonian	87.7	88.2	74.6	68.2	64.7	61.5
Russian	8.2	8.2	20.1	24.7	27.9	30.3
German	1.7	1.5	0.1	0.6	0.3	0.2
Swedish.....	0.7	0.7	—[1]	—	—	—
Finnish	—	—	1.4	1.4	1.2	1.1
Ukrainian...	—	—	1.3	2.1	2.5	3.1
Belorussian..	—	—	0.9	1.4	1.6	1.7
Jewish	0.4	0.4	0.4	0.4	0.3	0.3
Other	1.3	1.0	1.2	1.2	1.5	1.8
TOTAL.....	100.0	100.0	100.0	100.0	100.0	100.0
Total population	1,107,059	1,126,413	1,196,791	1,356,000	1,464,476	1,565,662

[1] —means negligible.

Source: Based on information from Toivo V. Raun, *Estonia and the Estonians*, Stanford, California, 1991, 130; and Marje Jõeste, Ülo Kaevats, and Harry Õiglane, eds., *Eesti A & Õ*, Tallinn, 1993, 96.

Table 3. Estonia: Population of Largest Cities and Percentage Share of Estonians, 1934 and 1989

City	1934		1989	
	Population	Percentage of Estonians	Population	Percentage of Estonians
Tallinn	137,792	85.6	478,974	47.4
Tartu	58,876	87.6	113,420	72.3
Narva	23,512	64.8	81,221	4.0
Pärnu	20,334	90.7	52,389	72.4
Viljandi	11,788	93.3	23,080	87.1
Valga.	10,842	82.3	17,722	52.9
Rakvere	10,027	90.9	19,822	75.2
Võru.	5,332	91.1	17,496	85.2
Haapsalu	4,649	88.3	14,617	66.4
Kuressaare	4,478	88.0	16,166	92.8
Tapa	3,751	93.7	10,439	37.0
Paide	3,285	93.5	10,849	86.7
Paldiski.	851	94.0	7,690	2.4
Kohtla-Järve[1]	—[2]	—[2]	77,316	20.8

[1] Kohtla-Järve became a city after World War II.
[2] —not applicable.

Source: Based on information from Kulno Kala, "Eesti rahvuslikust koosseeisust pärast Teist Maailmasõda," *Akadeemia* [Tartu], 4, No. 3, 1992, 534.

Table 4. Estonia: Net In-Migration, 1956–90

Period	Net In-Migration
1956–60	30,502
1961–65	40,435
1966–70	42,493
1971–75	31,760
1976–80	28,398
1981–85	28,136
1986–90	7,510

Source: Based on information from Estonia, Eesti Vabariigi Riiklik Statistikaamet, *Statistika Aastaraamat, 1991*, Tallinn, 1991, 26.

Table 5. Estonia: Natural Population Growth by Nationality, 1982–92[1]

Year	Estonians	Other Nationalities	Total	Percentage Share of Estonians
1982	638	4,608	5,246	12.4
1983	727	5,246	5,973	12.2
1984	157	5,004	5,161	3.0
1985	−152	4,439	4,287	−3.0
1986	1,171	4,949	6,120	19.1
1987	1,654	5,153	6,807	24.3
1988	1,949	4,579	6,528	29.9
1989	2,578	3,201	5,779	44.6
1990	1,079	1,718	2,797	38.6
1991	−355	−30	−385	−92.2
1992	−783	−1,333	−2,116	−37.0

[1] Natural population growth means number of births minus number of deaths.

Source: Based on information from Estonia, Eesti Vabariigi Riiklik Statistikaamet, *Statistika Aastaraamat, 1991,* Tallinn, 1991, 39.

Table 6. Estonia: Gross Domestic Product, 1989–93
(at constant prices and in percentage of real growth)

	1989	1990	1991	1992	1993
Value[1]	8,681	7,977	7,099	5,445	5,320
Percentage of real growth	3.3	−8.1	−11.9	−23.3	−2.3

[1] In millions of 1990 Russian rubles.

Source: Based on information from Economist Intelligence Unit, *Country Report: Baltic Republics: Estonia, Latvia, Lithuania* [London], No. 1, 1994, 4.

Table 7. Estonia: Employment Distribution by Sector, 1990

Sector	Employees[1]	Percentage
Administration	17.1	2.1
Agriculture	94.5	11.9
Banking and insurance...................	4.0	0.5
Construction	78.8	9.9
Data services	3.4	0.4
Education and culture	79.8	10.0
Forestry	6.9	0.1
Health and sports	49.0	6.2
Housing and services	35.4	4.5
Industry...............................	259.2	32.6
Science, research, and development........	18.0	2.3
Trade and catering	69.5	8.7
Transportation and communications	68.3	8.6
Other..................................	11.6	1.5
TOTAL[2]................................	795.5	100.0

[1] In thousands.
[2] Figures may not add to totals because of rounding.

Source: Based on information from World Bank, *Estonia: The Transition to a Market Economy*, Washington, 1993, 265–66.

Table 8. Estonia: Major Trading Partners, 1992 and 1993
(in percentages)

Country	Exports		Imports	
	1992	1993	1992	1993
Finland	21.1	20.7	22.6	27.9
Russia	20.8	22.6	28.4	17.2
Latvia	10.6	8.6	1.7	2.3
Sweden	7.7	9.5	5.9	8.9
Ukraine	6.9	3.6	3.2	n.a.[1]
Netherlands	5.0	4.1	1.8	3.6
Germany.	3.9	8.0	8.3	10.7
Denmark	2.4	2.4	1.7	2.6
United States	1.9	1.9	2.4	2.7
Lithuania	1.5	3.7	3.6	3.3
Japan	n.a.	n.a.	2.7	4.2
Other	18.2	14.9	17.7	16.6

[1] n.a.—not available.

Source: Based on information from Estonia, Estonian State Statistics Board, *1993 Statistical Yearbook*, Tallinn, 1993, as reported by Baltic News Service, March 27, 1993; and Saulius Girnius, "The Economies of the Baltic States in 1993," *RFE/RL Research Report* [Munich], 3, No. 20, May 20, 1994, 8–9.

Table 9. Estonia: Foreign Trade by Commodity Share, 1992

Commodity Share	Percentage
Exports	
Textiles and textile goods	14.0
Metals and metal products	11.3
Animals and animal products	11.2
Mineral products	10.9
Timber and timber products.	7.9
Imports	
Mineral products	27.2
Machinery and equipment	18.3
Textiles and textile goods	15.2
Automobiles and other vehicles	12.7

Source: Based on information from Estonia, Estonian State Statistics Board, *1993 Statistical Yearbook*, Tallinn, 1993, as reported by Baltic News Service, March 27, 1993.

Table 10. Estonia: Foreign Investment Capital in Estonia by Country of Origin, April 1993

Country	Total Investment[1]	Percentage
Sweden.	835.4	37.7
Finland.	663.7	30.0
Commonwealth of Independent States.	235.7	10.6
United States	99.2	4.5
Netherlands.	76.5	3.5
Yugoslavia[2].	60.1	2.7
Germany	51.8	2.3
Other.	191.0	8.6
TOTAL[3].	2,213.4	100.0

[1] In millions of kroons (for value of the kroon—see Glossary).
[2] Yugoslavia disintegrated in 1991. Two successor republics, Serbia and Montenegro, have asserted the formation of a joint independent state, which they call Yugoslavia, but the United States has not formally recognized this entity as a state.
[3] Figures may not add to totals because of rounding.

Source: Based on information from R. Ehrlich and L. Luup, eds., *Invest in the Future: The Future Is Estonia*, Tallinn, 1993, 36.

Table 11. Estonia: Foreign Loans and Credits to Estonia, 1992
(in thousands of United States dollars)

Source	Amount	Designated Use
European Union	45,000	Balance of payments support
Neste (Finland)	20,600	Purchase of fuel
Japan	20,000	Purchase of specific goods
Sweden.	10,500	Balance of payments support
United States.	10,000	Purchase of grain (export credit)
Finland Export Fund	8,500	Export credit
Switzerland	4,200	Balance of payments support
Norway.	3,150	-do-
Finland.	2,100	-do-
Austria	1,300	-do-
Statoil (Sweden)	750	Purchase of fuel
Iceland.	25	EBRD membership[1]

[1] EBRD—European Bank for Reconstruction and Development.

Source: Based on information from Estonia, Ministry of Finance, as reported by Baltic News Service, November 24, 1993.

*Table 12. Estonia: Structure of Industrial Production,
1990 and 1992*
(in percentages)

Sector	1990	1992
Light industry	26.3	17.9
Food processing.......................................	24.5	30.4
Metals and machinery.................................	17.0	8.5
Forestry, timber, pulp, and paper.......................	9.2	9.0
Chemicals...	7.7	9.1
Energy	7.1	14.0
Other	8.2	11.2
TOTAL[1]	100.0	100.0

[1] Figures may not add to totals because of rounding.

Source: Based on information from World Bank, *Estonia: The Transition to a Market Economy*, Washington, 1993, 314; and R. Ehrlich and L. Luup, eds., *Invest in the Future: The Future Is Estonia*, Tallinn, 1993, 18.

Table 13. Estonia: Livestock Products, 1990 and 1992

Product	1990	1992
Eggs (millions)	547.1	456.0
Meat (thousands of tons slaughter weight)		
Beef...	79.9	58.7
Lamb...	3.0	2.2
Pork...	114.5	60.2
Poultry	21.6	10.2
Other...	0.3	0.3
Total meat.......................................	219.3	131.6
Milk (thousands of tons)................................	1,208.0	919.3
Wool (tons)	205.0	311.0

Source: Based on information from Estonia, Estonian State Statistics Board, *1993 Statistical Yearbook*, Tallinn, 1993, 163–64.

Table 14. Estonia: Field Crop Production, 1990 and 1992

Crop	Area Sown[1]		Total Production[2]		Average Yield[3]	
	1990	1992	1990	1992	1990	1992
Cereals and legumes						
Winter crops						
Rye..............	65.9	59.2	177.9	153.4	27.0	25.9
Wheat	21.2	26.8	53.0	64.8	25.0	24.2
Total winter crops..........	87.1	86.0	230.9	218.2	26.5	25.4
Summer crops						
Barley	263.7	268.2	599.9	300.8	22.7	11.2
Legumes	0.1	0.4	0.2	0.4	13.7	9.2
Mixed grains.......	8.0	10.5	20.7	10.8	25.9	10.3
Oats..............	33.4	41.7	93.4	43.7	28.0	10.5
Wheat	4.8	16.7	12.4	24.6	25.8	14.7
Total summer crops..........	310.0	337.5	726.6	380.3	23.4	11.3
Total cereals and legumes......	397.1	423.5	957.5	598.5	24.1	14.1
Flax	2.0	0.9	0.4	0.2	2.0	2.0
Fodder roots	11.1	11.8	534.8	176.8	482.0	150.0
Potatoes.............	45.5	46.3	618.1	669.1	136.0	145.0
Vegetables	5.2	5.1	86.0	63.0	166.0	124.0

[1] In thousands of hectares.
[2] In thousands of tons.
[3] In quintals per hectare.

Source: Based on information from Estonia, Estonian State Statistics Board, *1993 Statistical Yearbook*, Tallinn, 1993, 159–61.

Table 15. Latvia: Population by Ethnic Origin, Selected Years, 1935–89
(in thousands)

Ethnic Origin	1935		1959		1970		1979		1989	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Latvian..............	1,467.0	77.0	1,297.9	62.0	1,341.8	56.8	1,344.1	54.0	1,387.8	52.0
Russian	168.3	8.8	556.4	26.6	704.6	29.8	821.5	32.8	905.5	34.0
Jewish..............	93.4	4.9	36.6	1.7	36.7	1.6	28.3	1.1	22.9	0.9
German.............	62.1	3.3	1.6	0.1	5.4	0.2	3.3	0.1	3.8	0.1
Polish..............	48.6	2.6	59.8	2.9	63.0	2.7	62.7	2.5	60.4	2.3
Belorussian	26.8	1.4	61.6	2.9	94.7	4.0	111.5	4.5	119.7	4.5
Lithuanian	22.8	1.2	32.4	1.5	40.6	1.7	37.8	1.5	34.6	1.3
Estonian	6.9	0.4	4.6	0.2	4.3	0.2	3.7	0.1	3.3	0.1
Gypsy..............	3.8	0.2	4.3	0.2	5.4	0.2	6.1	0.2	7.0	0.3
Ukrainian	1.8	—[1]	29.4	1.4	53.5	2.3	66.7	2.7	92.1	3.4
Tatar	—	0.0	1.8	0.1	2.7	0.1	3.8	0.2	4.8	0.2
TOTAL[2]	1,901.5	100.0	2,086.4	100.0	2,352.7	100.0	2,489.5	100.0	2,641.9	100.0

[1] —means negligible.
[2] Figures may not add to totals because of rounding.

Source: Based on information from Latvia, Valsts Statistikas Komiteja, *Latvija Sodien*, Riga, 1990, 13; *Cīna* [Riga], June 23, 1971; and Latvia, *1989. Gada Vissavienības Tautas Skaitīsanas Rezultāti Latvijas PSR*, Riga, 1990, 10.

Table 16. Latvia: Ethnic Composition of Largest Cities and Riga City Districts under Latvia's Jurisdiction, 1989 Census (in percentages)

City or Riga City Section	Latvian	Russian	Belorussian	Ukrainian	Polish	Lithuanian	Other
Cities							
Jelgava..............	49.7	34.7	6.0	3.9	1.7	1.2	2.8
Jurmala............	44.2	42.1	4.9	3.4	1.5	0.9	3.0
Ventspils	43.0	39.4	5.8	6.4	1.0	0.7	3.7
Liepaja	38.8	43.1	4.9	7.5	1.1	2.3	2.3
Rezekne	37.3	55.0	2.0	1.6	2.7	0.2	1.2
Riga................	36.5	47.3	4.8	4.8	1.8	0.8	4.0
Riga city districts							
Kirova	47.8	38.7	2.6	2.9	1.7	0.6	5.7
Lenina..............	42.4	42.4	4.4	4.8	1.7	0.9	3.4
Proletariesu........	39.9	44.6	4.2	4.5	1.7	0.7	4.4
Maskavas...........	33.4	50.0	5.0	4.4	2.1	0.9	4.2
Oktobra............	32.0	49.1	6.4	6.4	1.8	0.7	3.6
Leningradas........	31.9	51.6	5.2	5.3	1.7	0.7	3.6

Source: Based on information from Latvia, Valsts Statistikas Komiteja, *Latvijas Skaitlos, 1989 (Latvia in Figures, 1989),* Riga, 1990; and Latvia, *1989. Gada Vissavienibas Tautas Skaitisanas Rezultati Latvijas PSR,* Riga, 1990, 46.

Table 17. *Latvia: Population Distribution by Ethnic Origin and Age-Group, 1989 Census*

Age-Group	Latvian	Russian	Belorussian	Ukrainian	Polish	Lithuanian	Jewish	Other	Total
0–4...........	114,179	75,050	5,064	5,527	2,294	1,412	933	3,210	207,669
5–9...........	100,920	71,078	4,885	4,617	2,223	1,237	972	2,541	188,473
10–14.........	94,778	64,026	4,661	4,702	2,279	1,390	951	2,156	174,943
15–19.........	99,387	62,415	6,525	6,078	3,133	2,182	896	3,725	184,341
20–24.........	91,970	62,260	9,193	9,176	3,611	2,426	824	4,777	184,237
25–29.........	98,821	74,474	11,846	10,210	4,466	2,857	1,181	5,089	208,944
30–34.........	89,396	76,755	11,526	9,753	4,095	2,657	1,564	4,522	200,268
35–39.........	78,871	73,195	10,427	8,683	4,382	2,491	1,717	3,713	183,479
40–44.........	76,125	55,149	7,879	6,359	4,663	2,417	1,948	2,442	156,982
45–49.........	100,994	49,677	9,633	6,203	5,092	3,110	1,187	2,431	178,327
50–54.........	89,899	55,652	10,171	6,183	4,553	2,948	1,727	2,326	173,459
55–59.........	88,081	50,207	8,899	3,859	4,623	2,658	1,608	1,838	161,773
60–64.........	76,548	51,311	7,007	4,236	3,708	2,103	2,063	1,696	148,672
65–69.........	54,521	33,750	4,131	3,086	2,892	1,492	1,889	1,185	102,946
70 and over	133,034	50,465	7,753	4,055	8,374	3,249	3,437	1,972	212,339
Average age.......	35	32	37	33	42	39	44	32	n.a.[1]

[1] n.a.—not available.

Source: Based on information from unpublished 1989 Latvian census printouts. The totals by age category differ slightly from the final figures published in Latvia, *1989. Gada Vissavienibas Tautas Skaitisanas Rezultati Latvijas PSR*, Riga, 1990, 10. Thus, one has to assume the printout reflects prelimi-nary data. The figures for the total population differ by only 31.

Table 18. Latvia: Births, Deaths, and Natural Increase by Ethnic Origin, Selected Years, 1980–91

Year	Latvian	Russian	Belorussian	Ukrainian	Polish	Lithuanian	Jewish	Other	Total
1980									
Births...........	17,918	11,839	2,225	1,197	850	662	213	630	35,534
Deaths..........	20,107	7,978	1,202	472	1,046	515	453	327	32,100
Natural increase........	-2,189	3,861	1,023	725	-196	147	-240	303	3,434
1985									
Births...........	20,354	12,840	2,367	1,580	972	677	206	755	39,751
Deaths..........	20,537	9,023	1,451	618	1,057	569	461	450	34,166
Natural increase........	-183	3,817	916	962	-85	108	-255	305	5,585
1986									
Births...........	21,613	13,317	2,419	1,799	990	748	222	852	41,960
Deaths..........	18,682	8,340	1,331	642	1,002	559	422	350	31,328
Natural increase........	2,931	4,977	1,088	1,157	-12	189	-200	502	10,632
1987									
Births...........	21,617	13,396	2,471	1,808	1,002	745	189	907	42,135
Deaths..........	19,448	8,397	1,313	651	988	530	454	369	32,150
Natural increase........	2,169	4,999	1,158	1,157	14	215	-265	538	9,985
1988									
Births...........	21,354	13,012	2,410	1,825	911	643	187	933	41,275
Deaths..........	18,962	9,018	1,412	683	1,042	544	385	375	32,421
Natural increase........	2,392	3,994	998	1,142	-131	99	-198	558	8,854

Table 18. Latvia: Births, Deaths, and Natural Increase by Ethnic Origin, Selected Years, 1980–91

Year	Latvian	Russian	Belorussian	Ukrainian	Polish	Lithuanian	Jewish	Other	Total
1989									
Births................	20,964	11,698	2,037	1,679	907	635	132	870	38,922
Deaths...............	18,784	9,239	1,425	760	1,008	554	454	360	32,584
Natural increase	2,180	2,459	612	919	–101	81	–322	510	6,338
1990									
Births................	21,438	10,910	1,840	1,443	827	601	108	751	37,918
Deaths...............	19,892	10,033	1,564	756	1,111	587	440	429	34,812
Natural increase	1,546	877	276	687	–284	14	–332	322	3,106
1991									
Births................	20,107	9,716	1,537	1,254	736	583	73	627	34,633
Deaths...............	19,797	10,261	1,583	762	971	567	404	404	34,749
Natural increase	310	–545	–46	492	–235	16	–331	223	–116

Source: Based on information from Latvia, Statistikas Komiteja and Latvijas Zinatnu Akademijas Filozofijas un Sociologijas Instituts, *Etnosituacja Latvija,* Riga, 1992, 8.

Table 19. Latvia: Transborder Migration, 1961–89[1]
(in thousands)

Period	Came to Latvia		Left Latvia		Net Migration	
	Total	Average per Year	Total	Average per Year	Total	Average per Year
1961–65	238.1	47.6	159.1	31.8	79.0	15.8
1966–70	233.2	46.6	166.4	33.3	66.8	13.4
1971–75	292.3	58.5	232.0	46.4	60.3	12.1
1976–80	245.8	49.2	203.9	40.8	41.9	8.4
1981–85	255.6	ʹ 51.1	213.5	42.7	42.1	8.4
1986–89	201.7	50.4	160.8	40.2	40.9	10.2
1986	54.5	n.a.[2]	43.3	n.a.	11.2	n.a.
1987	56.9	n.a.	40.7	n.a.	16.2	n.a.
1988	52.3	n.a.	41.1	n.a.	11.2	n.a.
1989	38.0	n.a.	35.7	n.a.	2.3	n.a.
1961–89	1,668.4		1,296.5		371.9	

[1] Between 1951 and 1955, the total net flow of migrants was only 16,900 (an average of 3,400 per year). Between 1956 and 1960, it increased to 58,000 (an average of 11,600 per year). The latter period, however, included thousands of returning deportees.
[2] n.a.—not available.

Source: Based on information from Latvia, Valsts Statistikas Komiteja, *Latvija Skaitlos, 1989 (Latvia in Figures, 1989)*, Riga, 1990, 35; and Latvia, Valsts Statistikas Komiteja, *Latvijas PSR Tautas Saimnieciba 1970*, Riga, 1971, 17–18.

Table 20. Latvia: Ethnic Minorities by Place of Birth, 1989
(in percentages)

Ethnic Minority	Latvia	Russia	Belorussia	Ukraine	Lithuania
Polish	65.8	3.1	22.3	—[1]	—
Jewish	53.3	12.3	9.9	19.7	—
Russian	54.8	36.2	2.2	2.4	—
Lithuanian	36.3	2.2	0.6	—	60.0
Belorussian	31.3	3.6	62.2	1.1	—
Ukrainian	19.4	8.5	1.6	65.7	—

[1] —means negligible.

Source: Based on information from Latvia, Valsts Statistikas Komiteja, Riga, May 24, 1991, unpublished document.

Table 21. Latvia: Religious Baptisms, Weddings, and Funerals by Religious Denomination, 1991

Religious Denomination	Baptisms		Weddings		Funerals	
	Number	Percentage	Number	Percentage	Number	Percentage
Evangelical Lutheran. .	10,666	35.1	1,549	32.3	1,439	15.2
Roman Catholic. . .	10,661	35.0	2,651	55.3	4,995	52.8
Orthodox . . .	6,315	20.8	468	9.8	1,937	20.5
Old Believer . . .	1,273	4.2	33	0.7	730	7.7
Pentecostal. .	662	2.2	37	0.8	25	0.3
Baptist.	462	1.5	20	0.4	130	1.4
Seventh-Day Adventist . .	388	1.3	5	0.1	69	0.7
Jewish	n.a.[1]	n.a	35	0.7	137	1.4
TOTAL[2]	30,427	100.0	4,798	100.0	9,462	100.0

[1] n.a.—not applicable.
[2] Figures may not add to totals because of rounding.

Source: Based on information from *Kristus Dzive* [Riga], No. 5, 1992, 37.

Table 22. Latvia: Knowledge of Latvian Language among Persons of Russian Ethnic Origin by Age-Group, 1979 Census

Age-Group	Total in Age-Group	Latvian as First Language	Latvian as Second Language	Percentage Latvian Speakers
0–6	89,347	668	1,702	2.7
7–10	46,562	455	4,008	9.6
11–15	54,650	471	9,614	18.5
16–19	55,842	402	11,167	20.7
20–24	76,650	575	16,423	22.3
25–29	75,777	859	18,787	25.9
30–34	58,527	732	16,973	30.3
35–39	53,058	830	13,905	27.8
40–44	60,789	722	14,458	25.0
45–49	55,547	584	11,930	22.5
50–54	58,446	482	12,449	22.1
55–59	41,475	384	8,931	22.5
60–64	29,289	239	5,828	20.7
65–69	26,266	284	5,049	20.3
70 and over	39,128	300	5,504	14.8
Not known	111	2	15	n.a.[1]
TOTAL	821,464	7,989	156,743	20.1

[1] n.a.—not available.

Source: Based on information from ethnic Latvian data in Latvia, *Itogi vsesoyuznoy perepisi naseleniya 1979 goda po Latviyskoy SSR,* Riga, 1982, 90. Ethnic Russian data presented by Peteris Zvidrins at Association for the Advancement of Baltic Studies Conference in Seattle, June 1990.

Table 23. Latvia: Knowledge of Russian Language among Persons of Latvian Ethnic Origin by Age-Group, 1979 Census

Age-Group	Total in Age-Group	Russian as First Language	Russian as Second Language	Percentage Russian Speakers
0–6	130,922	4,490	6,483	8.4
7–10	77,718	2,764	19,266	28.3
11–15	92,894	3,331	51,425	58.9
16–19	79,086	2,795	63,611	84.0
20–24	88,444	2,534	76,347	89.2
25–29	78,861	1,807	67,775	88.2
30–34	77,813	1,494	65,585	86.2
35–39	104,644	1,717	86,653	84.4
40–44	95,523	1,803	75,434	80.9
45–49	95,441	1,429	68,725	73.5
50–54	85,326	1,385	53,385	64.2
55–59	64,448	957	34,012	54.3
60 and over	272,773	2,414	114,830	43.0
Not known	212	2	76	n.a.[1]
TOTAL	1,344,105	28,922	783,607	60.5

[1] n.a.—not available.

Source: Based on information from ethnic Latvian data in Latvia, *Itogi vsesoyuznoy perepisi naseleniya 1979 goda po Latviyskoy SSR,* Riga, 1982, 90. Ethnic Russian data presented by Peteris Zvidrins at Association for the Advancement of Baltic Studies Conference in Seattle, June 1990.

Table 24. Latvia: Distribution of Labor Force by Sector, 1990 (in percentages)

Sector	Labor Force
Agriculture, forestry, and fishing	15.5
Industry	30.3
Transportation and communications	7.3
Construction	10.3
Trade	9.1
Credit and insurance.	0.5
Service and other branches[1]	27.0
TOTAL.	100.0

[1] Includes mainly housing and personal services, government, health and social security, education, and recreational and cultural services.

Source: Based on information from United States, National Technical Information Service, *Latvia: An Economic Profile,* Washington, August 1992, 5.

Table 25. Latvia: Agricultural Production on Private Farms, Selected Years, 1989–93

Product	1989	1991	1992	1993
Cattle[1]	15.1	62.5	141.2	144.5
Pigs[1]	7.0	43.0	85.4	97.4
Sheep[1]	6.4	27.6	52.9	41.3
Cereals and pulses[2]	10.8	89.7	206.3	432.7
Potatoes[2]	14.4	77.8	232.3	361.7
Milk[3]	9.5	73.5	177.9	282.2
Meat[3]	2.2	14.1	23.5	45.1

[1] In thousands.
[2] In thousands of tons.
[3] Live weight.

Source: Based on information from International Monetary Fund, *Economic Review: Latvia*, Washington, 1994, 73.

Table 26. Latvia: Growth of Private Farms, Selected Years, 1989–93

	1989	1991	1992	1993
Number of private farms	3,931	17,538	52,279	57,510
Total area[1]	65.6	186.2	872.9	1,108.4
Total sown area[1]	12.8	89.3	303.2	414.8

[1] In thousands of hectares.

Source: Based on information from International Monetary Fund, *Economic Review: Latvia*, Washington, 1994, 73.

Table 27. Lithuania: Production of Selected Industrial Products, 1989

Product	Quantity[1]
Energy	
Electric power (billions of kilowatt-hours)	29
Chemicals	
Mineral fertilizers (thousands of tons)	632
Sulfuric acid (thousands of tons)	512
Linoleum (thousands of square meters)	1,624
Machine building, metals, and electronics (thousands)	
Electric motors	7,659
Metal-cutting lathes	13
Electric meters	3,612
Television sets	615
Tape recorders	186
Refrigerators	350
Bicycles	423
Construction materials	
Bricks (millions)	1,121
Window glass (thousands of square meters)	4,172
Food processing	
Meat (industrial production) (thousands of tons)	447
Butter (thousands of tons)	78
Cheese (thousands of tons)	27
Confectionery goods (thousands of tons)	91
Fish and marine products (tons)	41
Textiles and soft goods	
Textiles (millions of square meters)	218
Shoes (millions of pairs)	12
Knitwear (millions of units)	18

[1] Estimated.

Source: Based on information from *The Baltic States: A Reference Book*, Tallinn, 1991.

Table 28. Lithuania: Foreign Trade by Country, January–June 1994
(in percentages)

Country	Exports	Imports
Russia	30	41
Germany	10	14
Belarus	7	3
Ukraine	7	6
Latvia	7	2
Poland	4	4

Source: Based on information from Lithuania, Ministry of Foreign Affairs, Department
of Economic Relations, 1995.

Table 29. Lithuania: Exports by Selected Product and by Major
Trading Partner, 1992 and 1993
(in thousands of United States dollars)

Product	Germany[1]		France[1]		Italy[1]		Total[2]
	1992	1993	1992	1993	1992	1993	1992
Food	11,764	26,930	648	1,478	1,733	1,169	164,025
Chemicals	16,418	22,002	7,335	12,836	301	640	74,711
Machinery....	1,615	11,440	356	278	909	511	197,006
Clothing	8,804	35,528	1,243	4,350	133	214	55,804
Petroleum and petroleum products....	13,088	3,091	7,489	29,507	0	9	25,213
Other	157,902	94,267	10,975	17,520	11,267	21,897	288,255
TOTAL	209,591	193,258	28,046	65,969	14,343	24,440	805,014

[1] Figures from partner countries' trade accounts.
[2] Figures from Lithuania's trade accounts.

Source: Based on information from Economist Intelligence Unit, *Country Report: Baltic
Republics: Estonia, Latvia, Lithuania* [London], No. 1, 1995, 47.

Table 30. Lithuania: Imports by Selected Product and by Major Trading Partner, 1992 and 1993
(in thousands of United States dollars)

Product	Germany[1]		United States[1]		France[1]		Total[2]
	1992	1993	1992	1993	1992	1993	1992
Food	63,111	44,069	25,089	17,818	18,739	53,198	80,472
Chemicals. . . .	12,387	22,684	98	424	3,274	3,418	70,842
Machinery . . .	51,033	116,272	4,679	14,652	798	3,354	119,382
Clothing and footwear . . .	4,481	12,263	1,599	252	321	993	9,486
Scientific instruments.	3,080	5,050	758	1,844	49	1,107	n.a.[3]
Other	33,173	102,213	11,887	21,501	2,383	7,932	525,594
TOTAL.	167,265	302,551	44,110	56,491	25,564	70,002	805,776

[1] Figures from partner countries' trade accounts.
[2] Figures from Lithuania's trade accounts.
[3] n.a.—not available.

Source: Based on information from Economist Intelligence Unit, *Country Report: Baltic Republics: Estonia, Latvia, Lithuania* [London], No. 1, 1995, 47.

Table 31. Lithuania: Foreign Investment by Country, September 1994

Country	Percentage[1]
Britain	25
Germany.	16
United States	12
Russia	7
Poland	6
Austria	6
Other	28
TOTAL.	100

[1] Estimated.

Source: Based on information from Lithuania, Ministry of Foreign Affairs, Department of Economic Relations, 1995.

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Glossary

Cheka (Vserossiyskaya chrezvychaynaya komissiya po bor'be s kontrrevolyutsiyey i sabotazhem—VChK)—All-Russian Extraordinary Commission for Combating Counterrevolution and Sabotage. The political police created by the Bolsheviks in 1917, the Cheka (also known as the Vecheka) was supposed to be dissolved when the new regime, under Vladimir I. Lenin, had defeated its enemies and secured power. But the Cheka continued until 1922, becoming the leading instrument of terror and oppression in the Soviet Union, as well as the predecessor of other secret police organizations. Members of successor security organizations continued to be referred to as "Chekisty" in the late 1980s.

Commonwealth of Independent States (CIS)—A loosely structured alliance of most of the former republics of the Soviet Union that facilitates consultation and cooperation in economic and security matters of common concern. Members in 1995 were Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

Communist International (Comintern)—An international organization of communist parties founded by Russian Communist Party (Bolshevik) leader Vladimir I. Lenin in 1919. Initially, it attempted to control the international socialist movement and to foment world revolution; later, it also became an instrument of Soviet foreign policy. The Comintern was dissolved by Soviet leader Joseph V. Stalin in 1943 as a conciliatory measure toward his Western allies.

Conference on Security and Cooperation in Europe (CSCE)—Established in 1972, the group in 1995 consisted of fifty-three nations—including all the European countries—and sponsored joint sessions and consultations on political issues vital to European security. The Charter of Paris (1990) changed the CSCE from an ad hoc forum to an organization having permanent institutions. In 1992 new CSCE roles in conflict prevention and management were defined, potentially making the CSCE the center of a Europe-based collective security system. In the early 1990s,

however, applications of these instruments to conflicts in Yugoslavia and the Caucasus were largely ineffective. In January 1995, the organization was renamed the Organization for Security and Cooperation in Europe (OSCE).

Congress of People's Deputies—Established in December 1988 in the Soviet Union by constitutional amendment, the Congress of People's Deputies was the highest organ (upper tier) of legislative and executive authority in the Soviet Union. As such, it elected the Supreme Soviet of the Soviet Union. The Congress of People's Deputies that was elected in March through May 1989 consisted of 2,250 deputies. The Congress of People's Deputies ceased to exist at the demise of the Soviet Union.

Council of Europe—Founded in 1949, the Council of Europe is an organization overseeing intergovernmental cooperation in designated areas such as environmental planning, finance, sports, crime, migration, and legal matters. In 1995 the council had thirty-five members.

European Community (EC)—A grouping of primarily economic organizations of West European countries, including the European Economic Community (EEC), the European Atomic Energy Community (Euratom or EAEC), and the European Coal and Steel Community (ECSC). The name changed to European Union (*q.v.*) in November 1993. Members in 1993 were Belgium, Britain, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, and Spain.

European currency unit (ECU)—Established in 1979 as a composite of the monetary systems of European Community (*q.v.*) member nations, the ECU functions in the European Monetary System and serves as the unit for exchange-rate establishment, credit and intervention operations, and settlements between monetary authorities of member nations.

European Union (EU)—Successor organization to the European Community (*q.v.*). The EU was officially established by ratification of the Maastricht Treaty of November 1993. The aim of the EU is to promote the economic integration of Europe, leading to a single monetary system and closer cooperation in matters of justice and foreign and security policies. In 1995 members consisted of Austria, Belgium, Britain, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain,

and Sweden.

glasnost—Russian term for public discussion of issues; accessibility of information so that the public can become familiar with it and discuss it. *Glasnost* is the name given to Soviet leader Mikhail S. Gorbachev's policy in the Soviet Union in the mid- to late 1980s of using the media to make information available on certain controversial issues to provoke public discussion, challenge government and party bureaucrats, and mobilize greater support for the policy of *perestroika* (*q.v.*).

gross domestic product (GDP)—A measure of the total value of goods and services produced by the domestic economy during a given period, usually one year. GDP is obtained by adding the value contributed by each sector of the economy in the form of profits, compensation to employees, and depreciation (consumption of capital). Only domestic production is included, not income arising from investments and possessions owned abroad, hence the use of the word "domestic" to distinguish GDP from the gross national product (*q.v.*). Real GDP is the value of GDP when inflation has been taken into account.

gross national product (GNP)—The gross domestic product (*q.v.*) plus the net income or loss stemming from transactions with foreign countries. GNP is the broadest measurement of the output of goods and services by an economy. It can be calculated at market prices, which include direct taxes and subsidies. Because indirect taxes and subsidies are only transfer payments, GNP is often calculated at factor cost, removing indirect taxes and subsidies.

International Monetary Fund (IMF)—Established along with the World Bank (*q.v.*) in 1945, the IMF has regulatory surveillance and financial functions that apply to its more than 150 member countries and is responsible for stabilizing international exchange rates and payments. Its main function is to provide loans to its members (including industrialized and developing countries) when they experience balance of payments difficulties. These loans often have conditions that require substantial internal economic adjustments by the recipients, most of which are developing countries. Estonia, Latvia, and Lithuania joined the IMF and the World Bank in 1992.

Karaites—Members of a religious group practicing Karaism, a Jewish doctrine originating in Baghdad in the eighth cen-

tury A.D. that rejects rabbinism and talmudism and bases its tenets on Scripture alone.

kroon (EKR)—Estonia's prewar currency (1928–40), reintroduced in June 1992 after Estonia became the first former Soviet republic to leave the Russian ruble zone. The kroon was officially pegged to the deutsche mark (DM) within 3 percent of EKR8 = DM1. In March 1996, the exchange rate was EKR11.83 = US$1.

lats (LVL)—Latvia's unit of currency prior to the Soviet annexation in 1940. Reintroduced in March 1993, the lats became the sole legal tender in Latvia in October 1993. In March 1996, the exchange rate was LVL0.55 = US$1.

Latvian ruble—Interim unit of currency introduced in Latvia in May 1992 and circulated in parallel to and valued at par with the Russian ruble, a vestige of Soviet rule, until July 1992. Sole legal tender until March 1993. Replaced by the lats (*q.v.*).

litas (pl., litai)—Lithuania's unit of currency prior to the Soviet annexation in 1940. Reintroduced in June 1993, the litas became the sole legal tender in Lithuania in August 1993. In March 1996, the exchange rate was 4.0 litai = US$1.

nomenklatura—The communist party's system of appointing key personnel in the government and other important organizations, based on lists of critical positions and people in political favor. The term also refers to the individuals included on these lists.

Nordic Council—Founded in 1952, the Nordic Council promotes political, economic, cultural, and environmental cooperation in the Nordic region. Members in 1995 were Denmark, Finland, Iceland, Norway, and Sweden.

Old Believers—A sect of the Russian Orthodox Church that rejects the reforms of liturgical books and practices carried out by the head of the church, Patriarch Nikon, in the mid-seventeenth century.

perestroika—Literally, restructuring. The term refers to Mikhail S. Gorbachev's campaign in the Soviet Union in the mid- to late 1980s to revitalize the economy, communist party, and society by adjusting political, social, and economic mechanisms.

value-added tax (VAT)—A tax levied on the value-added income of a business. The VAT is defined as the difference between the total sales revenue and the costs of intermediate inputs, such as raw materials, used in the production

process.

World Bank—Name used to designate a group of four affiliated international institutions that provide advice on long-term finance and policy issues to developing countries: the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the International Finance Corporation (IFC), and the Multilateral Investment Guarantee Agency (MIGA). The IBRD, established in 1945, has the primary purpose of providing loans to developing countries for productive projects. The IDA, a legally separate loan fund administered by the staff of the IBRD, was set up in 1960 to furnish credits to the poorest developing countries on much easier terms than those of conventional IBRD loans. The IFC, founded in 1956, supplements the activities of the IBRD through loans and assistance designed specifically to encourage the growth of productive private enterprises in less developed countries. The president and certain senior officers of the IBRD hold the same positions in the IFC. The MIGA, which began operating in June 1988, insures private foreign investment in developing countries against such noncommercial risks as expropriation, civil strife, and inconvertibility. The four institutions are owned by the governments of the countries that subscribe their capital. To participate in the World Bank group, member states must first belong to the International Monetary Fund (*q.v.*).

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