

EU-28 WATCH



No. 10
July 2014

ISSN 1610-6458

www.EU-28Watch.org

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On the project

Euroscepticism and the European Parliament elections in 2014, the EU's Neighbourhood in light of the Ukraine crisis and power relations in the EU: The EU-28 Watch project is mapping out discourses on these issues in European policies all over Europe. Research institutes from all 28 member states as well as Iceland, Macedonia, Montenegro, Serbia and Turkey give overviews on the discourses in their respective countries.

This survey was conducted on the basis of a questionnaire that has been elaborated in March 2014. Most of the 33 reports were delivered in June 2014. This issue and all previous issues are available on the EU-28 Watch website: www.EU-28Watch.org.

The EU-28 Watch No. 10 receives significant funding from the **Otto Wolff-Foundation, Cologne**, in the framework of the *"Dialog Europa der Otto Wolff-Stiftung"*, and financial support from the **European Commission**. The European Commission is not responsible for any use that may be made of the information contained therein.

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Latvia

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1. Euroscepticism and European Parliament elections

Sovereignty and focus on national issues

The electoral campaign in Latvia was mostly focused on national level issues, which is very characteristic of the Latvian political debate. These were, first and foremost, economic and social issues such as economic integration and development, competitiveness of Latvia and Latvians on the European scale, pensions, and social guarantees. Along the same lines, the questions of better spending of the EU funds also appeared. The crisis in Ukraine also influenced the campaign; although foreign policy and security issues were not predominant, they did appear on the party programmes.

Another important issue has been the relations between Latvia and the EU as a whole, national sovereignty, preferred ways of decision-making etc. This is related to the second question or euroscepticism: in the Latvian political debate, a pronounced ('modernist') stress on sovereignty still persists, and 'federalization' (narrowly understood as a loss of national sovereignty to the EU institutions) is widely perceived as a negative phenomenon. Against this background, such issues as the preservation of the national language, culture and the recognition of communist crimes also appeared in the campaign.

For a certain period of time, the leader of one of the parties, Unity (the ex-Prime Minister Valdis Dombrovskis), was believed to be a potential candidate for the post of the President of the European Commission. This probably strengthened his and his party's, positions. Also, Jean-Claude Juncker came to Riga and took part in a joint debate with Mr Dombrovskis (the latter distributed the invitation broadly). Otherwise, no obvious references to the 'Spitzenkandidaten' were made in the campaigns in Latvia. The European level debates were translated in Latvian media, but, taking into account the overall strong focus on national-level issues, it is highly dubious that they had large impact.

Moderate euroscepticism

None of the mainstream Latvian political parties is radically eurosceptic, but a few of them could be called euro-critical: supportive of certain benefits of integration but at the same time wary of 'losing' national sovereignty. Even the generally pro-European winning party, Unity (which received 4 out of the 8 seats available for Latvia in the European Parliament), stated in its programme: "More Europe in big things and less Europe in small things." Another political force that will be represented in the EP, the National Alliance, supported the EU as Latvia's geopolitical choice, but at the same time stated its strong opposition to the federalization of the Union. The Green and Farmers' Union (which obtained 1 seat) voiced a very similar position, in spite of the fact that in 2013 their elected candidate criticised Latvia's membership in the Eurozone. Other campaigners who expressed openly eurosceptic views were not elected and did not obtain much visibility.

Low turnout

The turnout for the EP elections this year was only 30.24 percent, which is a historic low. In 2009, the EP elections coincided with the national ones and the turnout was 53.69 percent, but in 2004, just after Latvia's EU accession, it was only 41.34 percent (well below the average for national and municipal elections). The campaign, with some exceptions, was not very noticeable and not very controversial; only 14 party lists were registered, compared to 17 lists in 2009 and 16 in 2004. Some possible reasons are the focus of national parties on the upcoming parliamentary elections, which are scheduled for autumn 2014, and the inability of some parties to address and mobilize their electorate efficiently. Some technical reasons also may have been at play, such as the voters' registration system, which allowed each elector to vote only in one polling station officially assigned to him/her beforehand. However, the main reason for the poor turnout is the low level of awareness about and interest in the work of the EU and its importance for Latvia – not only in the society but also among the political parties. Thus, one could say that only the most politically aware and motivated voters took part in the elections.

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2. The EU's Neighbourhood

Harsh criticism of Russia mitigated by economic interests

Latvian-Russian relations are guided by political, cultural, economic and security issues. Russia is Latvia's second biggest trade partner, the only source of gas imports and a major investor. These economic relations are sometimes seen as a positive opportunity (a tendency which has intensified over the last decade) but sometimes as a threat, due to the still existent political difficulties and Russia's attempts at "soft" influence with its economic and ideological instruments. A large ethnic Russian minority exists in Latvia. Meanwhile, Russia is assertive in its "compatriot policy" (official policy, carried out with both open and clandestine instruments, to strengthen its influence over and make political use of the Russian speaking diaspora in the CIS neighbourhood); and alleged minority rights breaches, differences in opinion on historical issues, Latvia's support of the Eastern Neighbourhood Policy, NATO exercises, and especially the current Ukrainian conflict continue to mar the relations. Due to the large proportion of Russian-speaking / non-ethnic-Latvian population (38.9 percent non-ethnic-Latvians in 2013), this is also reflected in the domestic political debate, as exemplified by, *inter alia*, the language referendum held in February 2012 (70 percent were opposed to the introduction of Russian as an official state language) or the exclusion of the "Harmony", the largest opposition pro-Russia party, from the government coalition.

Despite the generally pro-European orientation of the ruling coalition (including harsh criticism of the annexation of Crimea), the ongoing economic crisis and pressure of certain influential business groups contribute to an overall more nuanced, "pragmatic" foreign policy of Latvia. The President congratulated Vladimir Putin on his last victory in presidential elections, although the then-prime minister Valdis Dombrovskis criticized „a certain deficit of democracy” in the neighbouring state. Admittedly, since the Crimean crisis, a more principled position is shown in the popular political discourse.

Latvia is strongly supportive of Ukraine's *interim* government, Maidan protesters, and territorial integrity. "Harmony" was the only party to oppose the resolution passed by Saeima (the Latvian Parliament) in support of Ukraine's territorial unity and condemning Russian actions on Crimean soil. Latvia's authorities are ready to support the introduction of the third phase of sanctions if the escalation in Eastern Ukraine continues, although at the same time the influence of business interests still serves as a moderating factor. The government has evaluated the possible influence of sanctions on the Latvian economy; meetings with industry representatives took place and the Minister of Finance even opined that Latvia might have to ask for compensations from the EU in case sanctions are actually introduced and hit the Latvian economy. Latvia will continue to push for a more substantial NATO presence as a guarantee of stability and security in the Baltic Sea region, despite the fact that such presence is considered a provocation by Russia.

With the Latvian presidency of the Council of the EU approaching, a similar scenario to the "transit wars" or "milk wars," played to undermine the Lithuanian presidency, is thought of with anxiety. Latvia is maintaining its support to the Eastern Partnership which is yet another factor provoking Russia. However, the public opinion and political parties (some more than others) are all united by the idea that Latvia, alongside the EU, has to strive for pragmatic and constructive relations with Russia, even while it attempts to diminish its economic dependence on its large Eastern neighbour. Hence, frictions persist, but pragmatic interests are making Latvia's foreign policy more moderate.

A flexible Eastern Partnership

Latvia believes that the Eastern Partnership (EaP) must be responsive to the needs and preferences of the partner countries. The more hesitant ones (e.g. Belarus, Armenia) should be allowed to maintain a slower tempo, but the focus in Latvia is actually not so much on differentiated speed of cooperation with the EU as on differentiated offers. Latvia for many political, economic and cultural reasons is one of the strongest advocates of the EaP in the EU. The EaP is one of the top priorities for Latvia's upcoming EU presidency. Latvia wants not only to preserve but also to strengthen this format substantially. Firstly, it will likely attempt to review the EaP initiative, tweaking the offers to the needs of each partner state. Secondly, Latvia in principle advocates "perspectives of closer integration" (read: membership) to those states who have advanced most in their reforms. Thirdly, the Latvian foreign minister has voiced an idea about a Euro-Atlantic Eastern Partnership, involving the US more closely.

Some opposition parties have emphasized that the Eastern Partnership works against Latvia's interests and its opportunity to keep up the constructive relations with Russia, but the current governing elite, despite being careful about Russia, keeps the EaP high on its agenda. Latvia's motives for forging closer ties with the Eastern Partnership are not purely normative ("pro-democratic", "pro-reunification of Europe"). Both business and geopolitical interests, especially the former, sometimes affect Latvia's policies and bring the focus away from the democratization and liberalization of the partner states.

Prevailing support for Turkey's EU accession

Latvia, as the rest of the EU, has a very pragmatic view towards Turkey's perspective of joining the EU, especially regarding growth and mobility prospects, as well as the EU's defence capabilities. Latvia's Ministry of Foreign Affairs has consistently voiced its support for Turkey's EU accession; last May, the Foreign Minister opined in favour of opening new negotiation chapters with Turkey. This support is rather broadly shared across the political system. During the April 2013 visit of Abdullah Gül in Riga, the President of Latvia expressed his support to Turkey, emphasising the dynamic economic relationship between it and the EU. The same view is shared by the current Prime Minister Laimdota

Straujuma, by various government representatives (e.g. ex-Defence Minister Atis Pabriks, Minister of Economics Vjačeslavs Dombrovskis) and members of the parliament.

However, it is important to note that the media and public polls reflect a more critical view of Turkey's EU accession. The breaches of human rights and continuing riots, as well as the violent repression of protests by government forces, are seen as critical signs of Turkey's difficulties to respect with democratic values. Reforms are seen as an integral precondition to continue the accession talks on judiciary questions and fundamental rights. Public support of Turkey's EU accession is also limited by cultural differences.

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- Latvian Ministry of Foreign Affairs, [E. Rinkēvičs aicina ES Austrumu politiku pārveidot par Eiroatlantisko austrumu partnerību](#), 23 March 2014.
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- Saskaņas Centrs, [About Us](#), undated.
- State Chancellery, [Ministru prezidente ar Turcijas ES lietu ministru pārrunā sadarbību](#), 22 May 2014.

3. Power relations in the EU

Advocating stronger German leadership in Europe

A call for a stronger role of Germany has already been issued twice: during the sovereign debt crisis and after the Ukraine crisis. According to Saeima's EU Affairs Committee chair, Zanda Lukasevica Kalnina, Germany is indisputably the strongest economy and one of the most influential political players in the EU. The same view was expressed also on the brink of the sovereign debt crisis by the ex-defence Minister Atis Pabriks. Pabriks who said that, if Germany was ever to demand a bigger role in exchange for handling the situation, the member states would have to agree. Latvia and Germany have very intense diplomatic contacts, including within such frameworks as the Baltic-German talks at the level of foreign ministers (since 1996). Moreover, a number of times Latvian officials have described Germany as Latvia's strategic economic partner, thus encouraging increased German economic penetration of Latvia.

Germany is also perceived as a desirable security guarantor and, in the context of the Ukrainian crisis, some policy-makers voiced a desire for a more principled German position on Russia. This mirrors some earlier worries about Germany's pragmatic policy towards Russia on occasions such as the construction of the Nord Stream pipeline. It also shows the potential attributed to the German

leadership. Angela Merkel is seen as the strongest representative of an EU-28 position in the brink of Russia's annexation of Crimea, especially as France is still holding on to its arms deals with Russia.

In favour of austerity

Latvia is often considered and promoted as being one of the most successful "austerity stories." Based upon the success of the measures taken in macroeconomic stabilization, with the return to stable growth in less than three years, the Latvian example is occasionally used and discussed in media, among experts and politicians. Austerity was largely perceived as unavoidable to obtain the IMF loan, which Latvia needed for the stabilization of its financial system and national budget. Latvia restructured most of its economy during the austerity years, becoming more export-oriented. The reforms of the bureaucratic apparatus are largely perceived as the determinant factor that brought the deficit down and stabilised the economy. A rather strong political ownership of the anti-crisis measures and a generally flexible / tolerant / passive attitude of the society towards these also was a contributing factor. However, Latvians believe that comprehensive reforms must accompany austerity measures.

In Latvia, austerity measures led to changes in the political programmes of mainstream parties. The ruling "Unity" party came to power by stressing economic policies more than any other issue. The crisis also made the second most influential political party, "Harmony", change their positioning from the sole advancement of the rights of the Russian-speaking minority towards a more inclusive populist-social-democratic rhetoric.

As for the European level, Latvia is in favour of a centralised supervision via a Banking Union. Regulations and directives complementary to the Treaty on Stability, Coordination and Governance are favourable to a small, yet open and dynamic economy like Latvia's. Steps to bring about more centralised economic governance are seen as necessary to achieve convergence and budgetary discipline. Latvia is ready to support EU-wide discipline and solidarity, while emphasising the importance of the role of national parliaments within the mechanisms of the new instrument.

UK: better in the EU

The general political view on the UK's exit from the EU is negative, although David Cameron's reasoning was carefully supported by the Latvian Minister of Foreign Affairs Edgars Rinkēvičs. Opinion makers and the public, however, see Cameron's approach as appeasement of the largely Eurosceptic UK society and a response to the rise in popularity of the United Kingdom Independence Party (UKIP). Cameron's rhetoric is believed to translate into a determination to change the rules of the game for the UK in terms of more competitiveness and control, as well as a political power play within the country. Additionally, the review of the balance of competences, undertaken by the British authorities, is also seen as a time-winning approach for the EU which allows for a more pragmatic and less emotional discussion on the future of the Union.

Here we also have to point out that the "earthquake" caused by the results of the EU parliamentary election, with Eurosceptic parties such as UKIP and Front National gaining additional seats, are perceived as a response to crisis and a vote of protest against current economic policies, rather than as a permanent trend in EU politics. According to the Foreign Minister of Latvia, it is in Latvia's fundamental interests to see the United Kingdom as an acting member country of the EU.

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