



**LATVIA**

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VLADIMIR PUTIN'S  
RETURN  
DE-PRAGMATIZE  
LATVIAN – RUSSIAN  
RELATIONS?**

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Originally prepared for and presented  
at the roundtable discussion  
„Russia's Elections: Implications  
for Russian-Latvian Relations  
in a Wider Euro-Atlantic Context“,  
organized by the Latvian Institute of International Affairs  
and the Friedrich-Ebert-Stiftung on May 17-18, 2012.

The report in this publication does not represent official position of the Friedrich-Ebert-Stiftung on any of the issues reflected in the text. The autor is responsible for the content and information in the report.

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May 2012

# Will Vladimir Putin's Return De-Pragmatize Latvian – Russian Relations?

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## Introduction

The Baltic States and Latvia are rarely addressed in international and regional analysis without examining the presence of the 'Russian factor'. Russian interests and politics historically influenced domestic developments and foreign policy choices in neighbouring states. Latvia is not an exception; its economic, political and societal transformation over the last several decades is closely related with the repercussions of the break-up of the USSR and the attempts to re-orient the country's economic and political vectors primarily away from Russia and other post-Soviet countries and toward the West.

The reorientation of Latvia's economy from CIS countries to the West, the diversification of economic exposure, and the structural and infrastructural changes that took place has been a complex and complicated endeavour based on political and economic rationale. The energy and transit sector links between the two countries were rearranged. Mutual trade has experienced substantial diversification. A widely shared political precaution has led to efforts to minimize Russia's economic influence in Latvia. Moreover, Latvia's choice to build closer relationships with EU countries and intensify relations with

Nordic countries was not based only in the common values the Baltic States share with Western and Nordic countries. It was also based on a pragmatic balancing of political and economic interests in the region.

Many observers had anticipated the positive changes in political relations between Russia and Latvia after the Baltic countries joined the European Union and North Atlantic Treaty Organization in 2004. The last several years have marked further bilateral attempts to lessen conflicting political rhetoric and to avoid unfriendly gestures. In Latvia, especially, a less politicized and more pragmatic economic relationship with Russia was nurtured by Latvian authorities and supported by a majority of political parties. In Russia, Dmitry Medvedev's presidency opened wider the windows of opportunities for further normalization and constructive dialogue in Latvian–Russian relations. The official visit of Latvian then-President Valdis Zatlers to Moscow in December 2010 augmented the perceived beginning of a new era in relations between the two sides<sup>1</sup>. The electoral period in Latvia and particularly Russia, however, has been accompanied by some indications of a return to a more assertive and mutually critical rhetoric.

<sup>1</sup> For more please see Bukovskis, K. *Latvia// EU-Russia Watch 2012*/ Ed. by A. Lobjakas, M. Mölder. – Tartu: Tartu University Press, 2012. - [http://ceurus.ut.ee/wp-content/uploads/2011/06/EU-Russia-watch\\_1-20121.pdf](http://ceurus.ut.ee/wp-content/uploads/2011/06/EU-Russia-watch_1-20121.pdf)

This paper will address the impact and potential changes in Latvian-Russian relations that might be brought by the Russian Duma elections of December 2011, the Presidential elections of March 2012 and the recent inauguration of newly re-elected President Vladimir Putin. The paper will start off with a quick look at the main trends in the economic and political aspects that have defined Latvian-Russian relations during the last half-year. The last six months have provided a vivid example of a return to traditionally critical political rhetoric. The final two chapters of the paper endeavour to conceptualise the potential scenarios and provide some recommendations for improving the bilateral Latvian-Russian relationship.

### **2012 in Latvian – Russian Relations**

Latvia entered 2012 with a rather stable and generally positive balance in relations with the Russian Federation. The beginning of 2012 marked visible changes in political rhetoric due to domestic politics in both Russia and Latvia. In the Latvian case, the referendum on changes in the Constitution (*Satversme*) that would have introduced the Russian language as the second official language in Latvia caused fresh tensions among both politicians and also in a wider society. At the same time, these renewed tensions were not fuelled by centrist politicians (i.e. politicians traditionally supported by the Russian minority) in regard to the Latvian Legionnaire issue, nor the celebrations of Victory Day on the 9<sup>th</sup> of May.

Moreover, one could observe the continuation of growth in economic

cooperation on a bilateral level alongside the worsening the political rhetoric. Thus, a new trend is observable in Latvian-Russian relations – the economic and political worlds (or dimensions) could be emerging as separate discourses and separate entities in Latvian–Russian relations. Vladimir Putin's Presidency could move away from the pragmatized politics of the Medvedev era, simultaneously preserving the pragmatic trends in economic cooperation, while from time to time still using more unfriendly political rhetoric.

Therefore, before engaging in an evaluation of Latvian domestic processes that have affected relations with Russia, a quick look at the economic aspects in relations between both countries must be mentioned. A constructive dialogue has emerged and is preserved between Latvia and Russia, especially in the context of the EU–Russian relations. Many politicians and state institutions for different reasons tend to bring economic relations with Russia to the political agenda by stating their interest in enhancing cooperation, or on the contrary – to limit the Russian presence in Latvia's economy even more. Even though Russian investments in Latvia are concentrated in three traditional spheres, which are energy, transit and logistics, the past years also demonstrate a growing interest in the Latvian timber industry, food industry, as well as real estate<sup>2</sup>.

Latvia's energy sector is traditionally among the most significant economic leverage apparatuses of Russia. Latvia's self-sufficiency in the energy sector is only 35.9%; the rest is imported either from Russia (or other CIS countries) – at 42.3 % – or Western countries<sup>3</sup>. Natural gas, which is

<sup>2</sup> Please see, *Russian and Belarusian Economic Presence in the Baltic States: Risks and Opportunities*. – Riga: Latvian Institute of International Affairs, Eastern Policy Research Centre, 2012. - upcoming

<sup>3</sup> *Latvian Energy in Figures*. – Riga: Ministry of Economics of the Republic of Latvia, 2011. - [http://em.gov.lv/images/modules/items/Latvijas\\_energetika\\_skaitlos\\_2011%281%29.pdf](http://em.gov.lv/images/modules/items/Latvijas_energetika_skaitlos_2011%281%29.pdf)

used extensively in heating, electricity production and kitchen ovens, for instance, fully comes from one source: Russia. For a longer period, both economic as well as political relations with Russia were based on reciprocity<sup>4</sup> because of oil transit routes (through the Port of Ventspils in particular). The energy market liberalisation and 'renewable-isation' and gas supply diversification remain important arguments in reducing potential Russian manipulation on Latvia's political and economic agenda.

The transit sector is still an important source of income as it still constitutes around 2.5% of Latvia's GDP (~3.5% if related services are included)<sup>5</sup>. The attraction of Russian and Belarusian transit goods in particular, as well as the country's function as a transit route for many EU goods exported to Russia, are a significant part of Latvia's economic structure. However, it still has to compete with Polish, Estonian and especially Lithuanian services. And the history of bilateral relations in transit demonstrates that political arguments significantly damage the economic rationale between Latvia and Russia.

The increasing political stability and international positioning of Latvia, the growing necessity to settle economic matters with Russia, and the change in the political rhetoric and influence of pro-Russian politicians defending economic engagement has gradually constructed the inter-state economic environment over the last 8-10 years. This contributed to Russia's emergence as the second largest trade partner for Latvia in 2011, with 2564.2

million USD total turnover and 22% growth in comparison with 2010<sup>6</sup>. Even though exports to Russia grew faster than imports, the trade balance is still negative by a little more than 39 million USD.

The invitation for Russia to join the World Trade Organization in December 2011 and the planned parliamentary ratification of the agreement in 2012 will change Russia's situation in the global legal economic infrastructure. WTO membership will change the legal economic environment that Russian businesses and the Russian state have been operating within so far. Latvia, along with other EU member states, has been supporting Russia's membership in the WTO. The main hopes, naturally, are for the removal of trade restrictions and an improved local legal environment for foreign direct investments. Economic relations to large extent tend to remain insulated from political arguments between Latvian and Russian politicians. For instance, on May 6<sup>th</sup>, 2012 the Latvian Minister of Economics Daniels Pavļuts signed an agreement with the Governor of the Pskov region Andrey Turchak on economic cooperation between Latvia and the Pskov region in 2012-2014<sup>7</sup>. In the meantime, nationalist politicians and Russian media were preparing for another confrontation over the historical truth of the 9<sup>th</sup> of May commemoration and its application in modern politics.

This two-dimensional approach, which includes the existence of political discourse and economic discourse between both countries in parallel, is

<sup>4</sup> See for instance, Spruds, A. *Latvian–Russian Energy Relations: Between Economics and Politics// Latvian–Russian Relations: Domestic and International Dimensions/* Ed. by N. Muiznieks. - Riga: University of Latvia, 2006.

<sup>5</sup> Author's interview with the representatives of the Ministry of Economics of the Republic of Latvia, May 2011.

<sup>6</sup> *Latvijas un Krievijas attiecības.* - Riga: Ministry of Foreign Affairs of the Republic of Latvia, 2012. - <http://www.mfa.gov.lv/lv/Arpolitika/divpusejas-attiecibas/Krievija/>

<sup>7</sup> Латвия и Псковская область будут развивать экономическое сотрудничество. // *Delfi.lv (BNS)*. - 06.05.2012. - <http://biznes.delfi.lv/bnews/latviya-i-pskovskaya-oblast-budut-razvivat-ekonomicheskoe-sotrudnichestvo.d?id=42330724>

gradually establishing itself as a sustainable model for both countries. Such a dualistic approach in Latvian-Russian relations clearly could have a future if politicians in both countries would tend not to mix political arguments with economic relations. Namely, this requires that Putin's new presidency continues the pragmatism politics of the previous president and that Latvian nationalists admit the unavoidability of Latvia's geographic location and economic options.

Nevertheless, harsh political rhetoric is beneficial for both Latvian and Russian politicians. Verbal and performance-type confrontation is taking place in Latvia and occasionally in Russia surrounding the portrayal of differing historical interpretations. Both nationalist politicians and pro-Russian politicians in Latvia, and Russian authorities, gain political legitimacy and popularity by preserving the 'undisputable truth' of their reading of history, especially regarding the Second World War and how it is necessarily related to modern Latvian statehood. The official position of the Russian Federation on the situation with (exclusively) Russian minorities both in Estonia and Latvia allows the Russian state to preserve traditional arguments in foreign policy, and thus remind the domestic audience of the importance of the Second World War in Russian culture and history.

The constant criticisms Latvia hears from Russian authorities on the ethnic and human rights matters, and the new coalition established in November 2011 (introducing the participation of less moderate nationalists from *Visu Latvijai!*

within the National Coalition [*Nacionālā apvienība*]), also results in a tougher Latvian position on Russian historical claims. In 2012 the MFA of Latvia officially took the position that it will "Act against attempts of malevolent use of the tragic events of the 20<sup>th</sup> century and the results they brought to Latvia, as well as ungrounded criticisms of Latvia in bilateral relations and international organizations."<sup>8</sup> This approach clarifies the position of Latvia and its understanding of historical processes and gives a mandate to officials to defend this position on every occasion.

The Russian denouncement of the non-citizenship status in Estonia and Latvia has to a certain extent legitimised Russian policies towards (all of) the Baltic States not only internally, but also externally by producing an image of (all of) the Baltic States as 1) human rights problem countries; 2) as unsafe destinations for foreign direct investment because of foreign political discrepancies with Russia. Changing this image has been one of the main foreign policy tasks of Latvia since its breakaway from the Soviet Union. The latest announcement on the matter, for instance, was made by V. Putin ahead of the Presidential elections to demonstrate his traditionally strong stance on the non-citizen status issue in Latvia and Estonia, calling it "disgraceful" and promising to make the Latvian and Estonian authorities implement the recommendations of respectable international institutions on minority rights<sup>9</sup>. The response from the Latvian MFA was formulaic. The ministry replied by encouraging Russia itself to take into account the recommendations of

<sup>8</sup> *Ārlietu ministra ikgadējā ziņojuma projekts par paveikto un iecerēto darbību valsts ārpolitikā un par paveikto un iecerēto turpmāko darbību Eiropas Savienības jautājumos*. - Riga: Ministry of Foreign Affairs of the Republic of Latvia. - 10.01.2012. - <http://www.am.gov.lv/arpolitikas%20zinojuma%20projekts.pdf>

<sup>9</sup> Putins: nepilsoņu statuss Latvijā un Igaunijā ir apkaunojošs// *Delfi.lv (LETA)*. - 27.02.2012. - <http://www.delfi.lv/news/world/other/putins-nepilsonu-statuss-latvija-un-igaunija-ir-apkaunojoss.d?id=42165244>

international organizations on its own domestic situation.

Latvia traditionally has not been so vividly critical about Russian domestic processes. For instance, the Duma elections and the protests that followed were mildly criticized by Latvian Prime Minister Valdis Dombrovskis as an example of a democratic deficit in Russia<sup>10</sup>. The Latvian Ministry of Foreign Affairs, however, followed the position adopted by their EU counterparts and stated that Russia should regard democratically accepted norms. The ministry also joined the announcements made by Catherine Ashton on the suppression of protesters<sup>11</sup>. The Presidential elections in Russia were not commented on by Latvian officials, except for President Andris Bērziņš, who sent an official letter congratulating V. Putin on the victory and expressing his hope for a continued pragmatic development of Latvian-Russian relations<sup>12</sup>.

The central event of 2012 so far has been the February 18<sup>th</sup> referendum on the introduction of the Russian language as a second state language. It also came shortly after an exchange of stronger arguments between the Latvian and Russian ministers of foreign affairs. Sergei Lavrov continued the traditional Russian foreign policy in mid-January, commenting on the referen-

dum as an expression of the struggle for justice, and expressed that native languages area European value and it should be legally regulated on the European level<sup>13</sup>. This remark was met by Latvian counterpart Edgars Rinkēvičs with a reference to V. Putin's statements on the importance of language within the national identity of Russia<sup>14</sup>. The recent announcement by V. Putin on testing migrant workers for Russian language, history and basic legislation knowledge<sup>15</sup>, naturally will become a strong argument not only in the hands of Latvian nationalists, but also for the Ministry of Foreign Affairs as the defender of Latvia's official position.

The referendum on Russian as the second official language in Latvia resulted, as expected, in a dominating majority of 74.8% voting against the motion and 24.88% voting for<sup>16</sup>. The reactions by Russian officials like Aleksandr Torshin, Konstantin Kosachov and Sergei Narishkin were predictable. They were appealing to the necessary actions of the European Union Court and other EU institutions, and reminding audiences about the number of non-citizens without the right to participate and how it could have changed the results<sup>17</sup>. The response by the Latvian MFA was also predictable, following the position that the referendum was Latvia's internal matter.

<sup>10</sup> Dombrovskis: Notikumi Krievijā parāda noteiktu demokrātijas deficītu šajā valstī//*LETA*. – 07.12.2011. - <http://www.leta.lv/lat/arhivsn/print/?id=6723148B-FD90-4B09-85C9-001B031D811A&type=news>

<sup>11</sup> Miķelsone, M. Latvijas ĀM aicina Krieviju rēķināties ar demokrātiju// *IR.lv*. – 07.12.2011. - <http://www.ir.lv/2011/12/7/latvijas-am-aicina-krieviju-rekinaties-ar-demokratiju>

<sup>12</sup> Prezidents apsveikumā Putinam pauž pārliecību par 'konstruktīvu sadarbību starp mūsu valstīm'// *Delfi.lv*. -06.03.2012. - <http://www.delfi.lv/news/national/politics/prezidents-apsveikuma-putinam-pauz-parliecibu-par-konstruktivu-sadarbibu-starp-musu-valstim.d?id=42186746>

<sup>13</sup> Krievijas ārlietu ministrs: Referendums par krievu valodu ir izpaušme tieksmei pēc taisnīguma// *LETA*. - 18.01.2012. - <http://www.leta.lv/lat/arhivsn/print/?id=768E2B18-9B30-4207-B5E5-A7A75DA3A172&type=news>

<sup>14</sup> Rinkēvičs mudina Lavrovu iepazīties ar Putina uzskatiem par valodas lomu nacionālajā identitātē// *Neatkarīgā Rīta Avīze*. – 24.01.2012. - <http://nra.lv/latvija/politika/64637-rinkevics-mudina-lavrovu-iezpaties-ar-putina-uzskatiem-par-valodas-lomu-nacionalaja-identitate.htm>

<sup>15</sup> Adelaja, T. Migration Migraine// *Russia Profile*. – 10.05.2012. - [http://russiaprofile.org/business/58577/print\\_edition/](http://russiaprofile.org/business/58577/print_edition/)

<sup>16</sup> 2012. gada 18. februāra tautas nobalsošana par likumprojekta "Grozījumi Latvijas Republikas Satversmē" pieņemšanu. Rezultāti. – Rīga, Central Election Bureau, 2012. - <http://www.tn2012.cvk.lv/>

<sup>17</sup> Krievijas politiķi: Latvijas referendums ir spļāviens Eiropas Cilvēktiesību tiesas sejā//*Diena*. - 21.02.2012. - <http://www.diena.lv/latvija/viedokli/krievijas-politiki-latvijas-referendums-ir-splaviens-eiropas-cilvektiesibu-tiesas-seja-13932749>

The repercussions of the referendum and the interests of its organizers – the non-governmental organization Native Language (*Dzimtā Valoda*), led by the former national-bolshevik Vladimir Linderman – were long lasting, as the first rumours that the activists were financed by Russia appeared even before the referendum took place. On the 13<sup>th</sup> of May the Latvian Minister of Interior Rihards Kozlovskis, based on an analysis provided by the Latvian Security Police, openly admitted that the rumours were correct and that the organization and information campaign on the 'language referendum' was also financed by external, including Russian, sources<sup>18</sup>.

The issues related with the unofficial commemoration of the Latvian Legionnaires by individual activist groups in 2012 did not attract widespread international attention. Some remarks were made by Russian ambassador to Latvia Alexander Veshnikov<sup>19</sup>, and by the President Andris Bērziņš<sup>20</sup>, a newcomer to the political discussion on the matter, and by the Latvian MFA<sup>21</sup>. A significant change in comparison with previous years was the reduced role of the relatively influential political party National Coalition. The presence of the party within the ruling coalition was based on promises that their ministers would not be present at any of the events. In addition to the prohibition on the public display of both Nazi and

communist symbols in Latvian law, a large number of policemen are usually deployed in order to limit the possibility of provocations and potential damage to the Freedom Monument. This resulted in a decreasing number of participants, and consequently less publicity in international media.

The 8<sup>th</sup> - 9<sup>th</sup> of May – the dates marking the end of the Second World War – are also differently perceived among the Latvian population and in Russia. 2012 has not been remarkable from this perspective either. The official date of commemoration is celebrated on the 8<sup>th</sup> of May in Western Europe, while the Russian population in Latvia (because of history-making-time-zone-differences) celebrate the end of war on the 9<sup>th</sup> of May. The Victory Monument is the traditional gathering place for Russian army veterans and is a platform for pro-Russian political parties. This year, the number of protests among the Latvians was more limited than in other years; additionally, the largest pro-Russian party Harmony Centre (*Saskaņas centrs*) even adopted a reconciliatory position<sup>22</sup>. Again because of a moderate position adopted by the National Coalition and the mass media in Latvia.

Thus, one can conclude that the Presidential elections in Russia, with the electoral campaign that resulted in the re-election of Vladimir Putin coincides with increased political criticisms on traditional issues such as the non-citizenship status,

<sup>18</sup> Kozlovskis: krievu valodas referendumam nauda nāca arī no Krievijas//*Delfi.lv*. - 13.05.2012. -

<http://www.delfi.lv/news/national/politics/kozlovskis-krievu-valodas-referendumam-nauda-naca-ari-no-krievijas.d?id=42352132>

<sup>19</sup> See, for instance, Krievijas vēstnieks: leģionāri ir laikmeta upuri//*Delfi.lv*. - 02.02.2012. -

<http://www.delfi.lv/news/national/politics/krievijas-vestnieks-legionari-ir-laikmeta-upuri.d?id=42176208>

<sup>20</sup> See, for instance, Bērziņš: 16.martu un 9.maiju nedrīkst izmantot sava politiskā reitinga celšanai// *Diena.lv*. - 02.03.2012. -

<http://www.diena.lv/latvija/viedokli/berzins-16-martu-un-9-maiju-nedrikst-izmantot-sava-politiska-reitinga-celsanai-13934763> and

Bērziņš: Ap latviešu leģionu saceltā ažiotaža vērtējama kā mērķtiecīga Latvijas nomelnošanas kampaņa// *Diena.lv*. - 04.04.2012. - <http://www.diena.lv/latvija/viedokli/berzins-ap-latviesu-legionu-sacelta-aziotaza-vertejama-ka-merktieciga-latvijas-nomelnošanas-kampana-13934926>

<sup>21</sup> See, for instance, *Ārlietu ministrija skaidro ārvalstu vēstniekiem 16.marta vēsturi*. - Rīga: Ministry of Foreign Affairs of the Republic of Latvia, 2012. - <http://www.mfa.gov.lv/lv/Jaunumi/Pazinojumi/Presei/2012/marts/14-3/>

<sup>22</sup> See, for instance, Ušakovs 9.maija uzrunā aicina latviešus un krievus būt vienotiem// *Kas jauns*. - 09.05.2012. -

<http://www.kasjauns.lv/lv/zinas/80740/usakovs-9maijs-uzruna-aicina-latviesiem-un-krieviem-but-vienotiem>

the Legionnaire issue, and the interpretations of the ending of the second world war. At the same time, economic relations between the countries have not only remained stable, but have also been growing. The main worry among pragmatic Latvian politicians and business elites in both Russia and Latvia is that economic relations remain insulated from political influences and arguments. Consequently, Vladimir Putin's role in Latvian-Russian relations will mostly be defined by the President's ability to segregate economic interests from political rhetoric.

### **Conceptualising the Future Scenarios**

Many domestic analysts and visitors from abroad have observed the fact that Latvian society and the political elite are obsessed with its history. The political discourse, especially in Latvian–Russian relations, usually does not go beyond rhetoric on historical understandings or interpretations of past political processes and their legacies. A significant part of Latvian society tends to legitimise its current economic, political and social situation through references going back to the Second World War and the Soviet period. This, though, is not only a trend characteristic only to Latvia, but also to modern Russia.

Logically, history is one of the elements that constitutes and defines the principles of ethnicity and nation. Therefore, it is no surprise that historical arguments are essential in the foreign policy discourse of both countries, especially in their relationship with each other. Russian political elite and Latvian elite have for a long time constructed or reconstructed the ideas and principles on which the nation state is

based. Thus, the argument is that relations between Latvia and Russia will continue to be defined not only on differing historical understandings in substance, but additionally on the very confrontation about the matter. Thus, the struggle will last as long as both sides refuse to give up their positions and turn their concept of statehood away from the Second World War and the Soviet atrocities.

A redefinition of the principles the nation is based upon, an introduction of alternative aspects and emphasis on, for instance, the language, cultural and intellectual achievements of the nation, and its representatives relying on history as a relatively minor contextual aspect would allow a shifting of not only domestic society towards a more future oriented approach, but would also lessen the available provocation and international image damaging instruments for Russia. At the same time, there is also logic in preserving the current historical discourse both for internal reasons and to fill the discourse on Latvian-Russian relations with historical aspects instead of other, more uncomfortable ones for Latvia.

Thus, the first five months of 2012 have seen a return of mutually critical and assertive political rhetoric in Latvian-Russian relations, which was less prevalent during the 2010-2011 period. This has been a result of changing political figures in Russia and of the rising influence of Latvian nationalists on the discourse defining processes and on decision making. Thus, both actors can use each other as natural political antagonists and develop their rhetoric with the construction of an external enemy, or find psychological comfort in 'scapegoating' the opponent.

Russia needs occasionally to remind the world that the Baltic States are troublemakers. Thus, the function of the Latvian state is to demonstrate that Latvia is a trustworthy partner and good place for foreign investments. Consequently, the goal must be to change the country's image and show that Latvia and the other Baltic States can clearly offer more to the international community than simply historical quarrels and permanent discussions of historical matters. Of course, historical legacies should not be forgotten and it is an obligation to correct factual errors. But this should not be the priority of a nation that is trying to construct its future.

The second aspect that the current and previous analysis demonstrates is the Russian state of mind about its past and recent developments. The Russian elite, led by Vladimir Putin, does not want to be treated disrespectfully on the international arena. As with many countries, Russia worries about its image, and Putin's foreign policy has been aimed at re-establishing Russia's image as a stable and powerful country. In this case, Latvian, Estonian, Lithuanian, Georgian, American, Ukrainian etc. disagreements with Russia are perceived as insulting and disrespectful. Responses from the Latvian MFA have been diplomatic, though the occasional exchange of stronger rhetoric among the ministers of foreign affairs or other politicians has taken place. This is especially true in the case of small countries that depend on external help and resources, like the Baltic States, where the perception of lack of respect is naturally stronger.

Naturally, Latvia and its nationalists believe that they should be respected by

Russian politicians as well. But in the case of Latvian authorities, their sense of respect does not involve compliance with the interests, but instead involves honouring their views on individual matters. And even more obvious is that the international community and small states have problems with respecting a large neighbour that acts like a bully on the international stage. Since the days of the Thucydides and Melian dialogue, the respect of small entities stems from the respect of ethical principles in their relationship and on respect for their rights for their own independent position.

Thus, the relations between Latvian and Russian authorities depend not only on pragmatic argumentation and rationally calculated interests, but also on demonstrated political rhetoric that is grounded in psychological factors. History is an essential element in the self-definition of every state, at least within the first years of its establishment or re-establishment. But the future of relations between countries depends on their understanding of the present and the unavoidability of their geographical neighbourhood. Understandings of the pragmatic benefits that come from non-hostile political relations benefit both sides. Thus, whether a two dimensional economic/political foreign policy approach will establish itself as the norm, depends mostly on Vladimir Putin's personal understanding of the role of history and the fight for international respect. The Latvian-Russian relationship on a lesser scale will depend on the activities of Latvian politicians, as the Latvian authorities are reactive rather than proactive in political rhetoric towards Russia.

### Some Recommendations

A number of recommendations may be provided. First, the Ministry of Foreign Affairs of Latvia and its politicians should take into account the praxis and psychological need for the oversimplification of historical and political matters. Namely, the general population, and even professionals who are not directly involved with the matters, tend to be stereotypical and to reduce the perception about the issue into "good" and "bad". This should always be kept in mind when following the policy of 'explaining Latvian history abroad'. Explanation and changing stereotypes are complex and necessary processes. However, it should not prevail over the creation of a separate image. Most of the countries in the world have to cope with dualistic images or historical legacies. Take, for instance, Austria or Italy. In spite of their negative influences on other countries in the world in the past, they manage to produce and cultivate their preferred image on the world stage.

Second, a de-politicized scientific discussion among historians, political scientists and economists on the history of Latvia and the actions (or the lack of action) of key Latvian political figures would make the Latvian society more resilient against external verbal attacks. An open and frank discussion among Latvian scientists would strengthen the self-awareness and self-criticism of Latvian society. As Andris Sprūds puts it, "a self-confident state does not need mutual political football; it can only artificially increase the feeling insecurity."<sup>23</sup> If society and the political elite are critical about their own past and its past leaders, it is a more future oriented

viewpoint as it seeks a substitute for history in the national idea. If history is not the sole unifying idea anymore, the potential for political manipulation and speculation with history and historic figures also diminishes. Moreover, it allows politicians and state authorities to concentrate on domestic problems, including those created by the economic recession or by tensions among different groups in the country.

The third recommendation for improving Latvia's relations with both Russia and other world countries regards the referendum on the introduction of the Russian language as the second state language. Russian politicians are appealing to the international community to take action over the lack of democracy and human rights violations in Latvia and Estonia. After the referendum took place, the Latvian Ministry of Foreign Affairs and Latvian politicians acquired a new argument against the accusations. Namely, Latvia cannot be an undemocratic country that violates Russian minority rights if it allows and organizes a fully democratic referendum on introduction of the Russian language as the official language alongside Latvian, where all the people from all the ethnic groups could participate if they have acquired Latvian citizenship through setting a language and history examination.

Finally, it can be concluded that the second coming of Vladimir Putin to the presidential post will most likely redefine the relationship between Latvia and Russia. A de-pragmatization of political argumentation in relations and shifts towards more hostile rhetoric clearly depends on the personal approach of Vladimir Putin towards the importance of history in

<sup>23</sup> Sprūds, A. Putins 2.0 un Latvija// *Politika.lv* – 02.03.2012. - <http://politika.lv/article/putins-2-0-un-latvija>

Russia's internal policy and in its relations with the Baltic States. At the same time, economic interests, especially after Russia joins the WTO, have all the conditions and trends necessary to remain stable with positive growth. Thus, the new pragmatic policy in relations between the Republic of Latvia and the Russian Federation will likely change to two key areas of discourse: one the pragmatic economic and the other a pragmatic internal legitimation based the exchange of mutual criticisms.

It has taken long time for both Russia and Latvia to establish themselves in relations with each other. The current

international legal, economic and geopolitical structure has made it necessary for both countries to adapt. Especially in the case of economic relations, they have undergone dramatic changes over the last 10-12 years and a significant part of that reorientation, especially in oil and gas transit, was orchestrated by Vladimir Putin during his first Presidency and during his time in the office of prime minister. Putin's de-pragmatization of economic relations between Latvia and Russia after his return to the Presidential post would simply mean the abandonment of the personal energy and administrative resources used for achieving this status quo.

