



LATVIAN INSTITUTE
OF INTERNATIONAL AFFAIRS

Latvia and the United States:

Bringing Friendship
Into the Next
Centenary

Editors: Kārlis Bukovskis, Mārtiņš Vargulis



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U.S. Embassy Riga



The publication “Latvia and the United States: Bringing Friendship into the Next Centenary” offers the perspectives of internationally renowned decision-makers and experts on certain areas in the context of Latvia-US bilateral relations. The publication highlights various areas: a) history and people, b) diplomacy and security, c) economics and energy. In each of these areas, the most important issues in the context of the first centenary are examined, challenges and opportunities that are present today are offered, and potential perspectives in the context of the next centenary are illustrated.

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Address by the Ambassador of the Republic of Latvia to the United States of America

Māris Selga

The Republic of Latvia and the United States of America celebrate the centennial anniversary of their diplomatic relations in a very different world than when they first started. Through two World Wars, Soviet imperialism, and the establishment of the modern global liberal order, the world has – in many ways – become unrecognizable. Yet one of the emergent constants has been the relationship between the United States and Latvia. Both countries have become stalwart partners in the face of authoritarianism, united by their commitment to democracy and freedom.

The first marker in their relationship was in 1922, when Latvia's flag was raised by the United States Department of State, recognizing Latvia as an independent democratic country. The United States continued its steadfast support by never recognizing the Soviet occupation of the Baltic countries, and it issued the Sumner Welles Declaration of 1940. Throughout the dark years of Soviet rule, Latvia's flag continued to proudly fly by the Department of State and our diplomats in exile continued to represent a free and democratic Latvia in Washington, DC.

Once Latvia's independence was restored, the United States was a supportive partner as Latvia rebuilt its institutions and military capabilities. The alliance was strengthened further when Latvia joined NATO. Latvia and the United States maintain their shared values and a commitment to democracy, freedom, the rule of law, security and prosperity. To this day, cooperation with the United States continues to grow stronger each year, tackling a range of issues including security policy, the economy, energy and climate, culture, and digitalization. Through a hundred years, the two countries have become strategic allies, valued partners, and close friends.

However, other, more worrying, constants have also become apparent in the past hundred years. Russia's unprovoked war against Ukraine is the latest and most drastic act among a growing list of aggressive measures. Support to Ukraine and cooperation against other threats to democratic and liberal principles highlight that there is still space for Latvia and the United States to continue strengthening their transatlantic bond.

This book is an important amalgamation of the journey of the past hundred years. It provides new insight into the relationship of the two countries, while also reminding audiences why that relationship has been critical to shaping an independent and flourishing Latvia. The retrospective contributions in this book will provide important guidance to the future of both countries in a world which – as has become increasingly clear – often echoes the past.

Address by the Ambassador of the United States of America to the Republic of Latvia

John L. Carwile

One hundred years ago, my diplomatic predecessors formally notified their Latvian counterparts of the United States' decision to recognize Latvia as an independent nation and to establish diplomatic relations. In the century that followed, with all its trials and triumphs, this relationship remained unbroken. The United States never recognized the illegal Soviet occupation of Latvia and never gave up the belief that Latvia would again be free and independent. When the people of Latvia reclaimed their independence in 1991, we were proud to support their efforts to rebuild their institutions and economy, and to help secure their freedoms and prosperity through membership in NATO and the EU.

As we mark the first 100 years of diplomatic relations, the U.S. Embassy in Riga is proud to support this book project, which chronicles a relationship that is stronger and closer than at any point in our shared history.

Today, the United States and Latvia are strategic partners, committed to defending our achievements and ensuring that future generations will have the same personal liberties, human rights, and economic freedoms that we enjoy.

Our relationship has endured because we are willing to fight for the same fundamental democratic ideals to live freely and securely in an independent country, with the power to freely choose our leaders and shape our futures – with the rights to speak, associate, assemble, worship, and pursue our dreams.

Under Article 5 of the NATO Treaty, our armed forces are ready to fight for each other and to defend every inch of NATO territory. Our shared commitment and unity of purpose are critical as we face an array of ongoing challenges to our security and prosperity, including

disinformation, corruption, climate change, social divisions, and most acutely, Russia's brutal aggression against Ukraine. The people of Latvia know what it is to face a predatory power that brutally violates the sovereignty and territorial integrity of its neighbors. You have confronted this evil before. The United States stands with you in supporting the people of Ukraine as they fight to defend their independence and their democracy.

On behalf of President Biden and the American people, we are proud of what our countries have achieved together over the last 100 years. I am confident that our friendship will only grow stronger over the next 100 years.

Continuity in history and the future: A note from the editors

Mārtiņš Vargulis and Kārlis Bukovskis

The US recognized the Republic of Latvia on 28 July 1922. Considering the growing political and economic importance of the US in the world, this was almost equivalent to the support provided by the European and world powers of that time - Great Britain and France. Although the US was not in a hurry to recognize the small country of Northern Europe, compared to other countries of the world, as the history of the 20th and 21st centuries will later show, support for Latvia's statehood directly from the US will turn out to be the most important politically. It is safe to say that "continuity" can serve as a slogan for the anniversary of the first centenary in relations between Latvia and the US.

The US has historically been Latvia's main strategic partner and ally. Up to Latvia's independence in 1991, the US consistently pursued a policy of non-recognition of Latvia's occupation and made invaluable contributions to the restoration of Latvia's independence, and later it also facilitated Latvia's integration into NATO and the EU. Since joining NATO and the EU, the US has continued to have a presence in the region that has strengthened Latvia's security, fostered economic growth, and strengthened democracy. Without US involvement and security guarantees, Latvia's historical development would have been significantly different, including in terms of major security challenges.

Latvia's role in the US foreign and security policy discourse has also strengthened. Latvia, alongside Lithuania and Estonia, is often positioned as one of the US's closest allies. US foreign and security policy representatives have often stated that the security of Latvia (and the Baltic States) is indirectly linked to the overall security of the US. It should also be noted that Latvia-US relations have been strengthened not only in the context of foreign and security policy, but also in several other dimensions, such as economic and financial issues, energy, digitalization, and people-to-people contacts.

Although the two countries have a special relationship, it has been fraught with challenges over the past 100 years, influenced by both external and internal national dynamics. Certain individuals as well as internal and external events have had a significant impact on the dynamics of Latvia–US relations. As this publication and the authors' analyses demonstrate, the relationship has not been static – it reacts to international and domestic political developments, attempting to find common responses to the challenges the countries face together.

In order to understand the different facets of Latvia–US relations, to identify points of contact and conflict, and to outline the challenges in the context of the next centenary, this publication offers the perspectives of internationally renowned decision-makers and experts on certain areas in the context of Latvia–US bilateral relations. The publication highlights various areas: a) history and people, b) diplomacy and security, c) economics and energy. In each of the areas, the most important highlights in the context of the first century are examined, challenges and opportunities that are present in nowadays are offered, as well as potential perspectives in the context of the next century are illustrated.

Several very experienced and outstanding authors have participated in the creation of this publication. Each with their own experience, emotions, and knowledge, they provide an insight into the relations between Latvia and the US. It is the authors and the diversity they create that make this book an exciting and truly informative publication at the same time. The diversity of the authors' approaches is a factor that allows the reader to get to know the relationship between the "great" US and the "small" Latvia in different lights. The approaches of the authors complement each other and create an expressive story in which academic accuracy, journalistic simplicity, political insistence, and philosophical foresight alternate. As a result, the book has a research-analytical, informative, and entertaining contribution to the analysis of international relations.

The analyses of each of these areas examine the key highlights of the first century, present the challenges and opportunities in the current context, and illustrate the potential prospects for the next century. Each area is covered by one Latvian and one American author. This enables the reader to be aware of what the main points of emphasis have been from the Latvian and American perspectives in the context of certain

issues. It also allows a number of conclusions to be drawn about the role of the US in Latvia's foreign and security policy and, conversely, the role of Latvia in the overall US foreign and security policy discourse. Namely, this refers to whether Latvia's place is "special" in the US's overall policy, as well as what circumstances influence its place.

Although the starting point of the publication is the centenary of diplomatic relations, the overall thrust is forward-looking, i.e. to offer suggestions and assessments for the future through an understanding of history. The authors' recommendations are an added value of this publication, outlining the challenges and opportunities that could be of use to Latvian and US policymakers.

The Latvian Institute of International Affairs would like to thank the supporters of this publication, which includes supporters from the governmental, non-governmental and business sectors. The strength and success of foreign policy is rooted in close cooperation between societies, businesses and state institutions. And that is why the willingness of all these sectors to support and engage in the realization of this publication only strengthens our conviction in the importance of Latvia–US relations for the development of the country.

The Latvian Institute of International Affairs would like to express the appreciation of the support provided by The Embassy of the Republic of Latvia to the U.S., Investment and Development Agency of Latvia, "SAF Tehnika", "Latvenergo", Freeport of Riga, The Embassy of the U.S. to the Republic of Latvia, American Latvian Association. Cooperation is a long-term and consistent effort. And, hopefully, this cooperation will continue to be strengthened among the various stakeholders in the context of the next centenary of the diplomatic relations between Latvia and the US.

History and People

A century of relations between Latvia and the USA

Ēriks Jēkabsons, Kristīne Beķere

Historically, the United States of America has always been one of the most important world powers from the viewpoint of Latvia's foreign policy and economy, and cooperation with the country was very important both from a political and economic point of view. This is also still true now, after a little more than a century of mutual relations between the Republic of Latvia and the United States. The story of this relationship is best characterized by the following key events: the creation of the mutual relationship during the Latvian War of Independence; the *de iure* recognition of the Republic of Latvia; diplomatic, cultural and economic cooperation in times of peace; the support of the USA through the dark years while Latvia was on the wrong side of the Iron Curtain; and finally, the renewal of the independence and assurances in a new period of peace.

A beginning of relations

The Republic of Latvia was proclaimed in 1918, at the end of the WWI and the collapse of the Russian Empire. The war took place on the territory of Latvia from 1915 until 1918, causing severe damage and the loss of human lives. In addition, Latvians were one the most affected nations in Europe in terms of refugee flows caused by the war. One-third of the population was forced to leave their homes and homeland and to move to the inland regions of the Russian Empire, from whence many never returned. Even more years of warfare followed in 1918–1920, when the newly founded and already heavily devastated state of Latvia had to fight a long and very difficult battle with external and internal enemies – Soviet Russia, local communists, Baltic Germans who saw the future of Latvia in a different way, Germany, and white or anti-

Bolshevik Russian forces under Pavel Bermond, who tried to restore the Russian Empire in cooperation with reactionary German troops.

From April to August 1919, the Provisional Government of Latvia worked in Liepaja but was able to carry out only limited activities. The government saw the support of the USA, Great Britain and France as crucial for future success. Already in the spring of 1919, the US Peace Commission Delegation under the leadership of Warwick Greene began active work in Liepaja. The Peace Delegation, together with other missions from Western allies, tried to resolve conflicts in the region by creating a Latvian coalition government capable of fighting against the Bolsheviks and German reactionary forces. This approach succeeded only partially in the summer of 1919.

From April of 1919, the Mission of American Relief Administration (ARA) was also active in Latvia and provided invaluable aid to the population of the famine-stricken regions of Latvia. The ARA, whose status at the end of the summer of 1919 was changed from a governmental to a non-governmental organization, was joined by the American Red Cross in 1920, as well as by missions from the American YMCA (in 1920) and the American YWCA (in 1921). The YMCA and YWCA provided free support to specific social groups, the Latvian army, and women, and it also helped to revive intellectual pursuits and sports. Out of the three Baltic States, the American organizations were most active in Latvia, and Riga had been chosen as the central outpost for these organizations in the Baltics. From 1919–1922, there were hundreds of Americans active in Latvia: state officials; officers; soldiers; doctors; nurses; civil servants; social workers; technical staff (such as chauffeurs); and others.

All in all, the American humanitarian aid efforts continued until the summer of 1922 and were of immense importance for the population. Latvia, which received help as part of a broader European assistance effort, was in fact one of the hardest-hit regions of the continent due to the war, and the social situation was dire both in the cities, where many people (and especially children) suffered from starvation in 1919, and the countryside, where problems persisted for several years after the war.¹ It is possible to conclude that the Americans provided various forms of support (food, clothing, medicine, medical care, etc.) to approximately 25–30% of Latvia's children. They also helped revive Latvia's medical care system – and they did so for free. By providing

food, these organizations were also helping to strengthen the authority of the Provisional Government of Latvia.

In the summer and autumn of 1919, with the internal situation in Latvia becoming stabilized to a certain extent, the American presence intensified. Greene's mission was replaced by a significantly higher-ranking State Department Commission, which, among others, included an observer from the War Department. This commission and American military observers continued to operate in Latvia for the entire duration of the War of Independence. Some of them, moreover, filled official diplomatic and military functions in active cooperation with the government of Latvia. The main areas of cooperation were in the political, military and economic fields.

During the War of Independence, the Greene mission, the Commission of the State Department and, although to a lesser extent, the leadership of all the other previously mentioned non-governmental organizations strictly followed policies of non-recognition of the Latvian state, despite the efforts of the Latvian authorities to the contrary, and they legally considered Latvia and the other Baltic States to be a part of Russia, which would have to be reckoned with after the collapse of Bolshevism in Russia.²

The Latvian Provisional Government in turn unequivocally perceived the American presence as one of the factors ensuring the country's independence, as well as an opportunity to gain international recognition as early as 1919, which was one of the main tasks of the Latvian government and its Ministry of Foreign Affairs from the moment of their establishment.

***De iure* recognition**

On 10 December 1918, the US Senate issued a resolution which recognized the right of Baltic nations to independence. This document was later legally considered to be a *de facto* recognition of the Baltic States. However, there still remained the issue of *de iure* recognition. At the beginning of 1921, the question of the recognition of the Baltic States came up in the capitals of the Western European powers, and at the end of January 1921, an avalanche of *de iure* recognition of the independence of Latvia and Estonia began – but the USA was not among the recognizers.

On 17 March 1921, Director of Department of politics and economics of the Latvian Ministry of Foreign Affairs Ludvigs Seja was officially appointed as a delegate of the Latvian government to the USA with the task of achieving *de iure* recognition. In May 1921, he began his work in the US capital as a delegate and unofficial diplomatic representative, and he proceeded to engage in activities to achieve this task.

On 8 April, the day before departure, Seja emphasized that the main political task would be to provide information about Latvia's situation and to achieve "legal" recognition, taking into account that "America's behavior towards us has been highly favorable, we can hope that in the future she will not deny us political and moral support either". Seja also expressed the hope that the USA "will not refuse to realize part of our planned external borrowing and will provide assistance for the reconstruction of the areas devastated by the war in Latvia".³

As a means to further the goal of recognition, the Latvian government, much like the governments of the other two Baltic States, continued their active cooperation with US Congressman Walter Chandler. This cooperation had already started during the Paris Peace Conference in the spring of 1919, and for it the latter received financial compensation (Chandler cooperated in a similar way with other "young states"). The American politician was active in promoting the idea of recognition by, among other things, publishing articles in the American press. For example, in March 1920, an article was published in the newspaper *The New York Times* about the "five fighting republics" (the Baltic States, Finland and Poland) that protect Europe from Bolshevism and are culturally completely different from Russia.⁴ Chandler also tried to convince the public of the error of Wilson's position against the so-called new countries on the former territory of Russia and expressed his confidence that with the victory of the Republicans in the presidential elections "better days will come" for them. He also reflected on his activities in the promotion of these countries in his contacts with senators and members of Congress.⁵

The US's delay in granting recognition understandably caused disappointment and resentment in the Baltic States, especially after Estonia and Latvia were admitted to the League of Nations in September 1921. Admission to the League of Nations had been viewed by the Latvian government and Seja as an important factor in further achieving recognition by the United States. On 19 August, Seja wrote to

Meierovics: "I completely agree with you that Latvia's admission to the League of Nations will give us a new and very strong trump card against the Americans as well".⁶ Overall, during the second half of 1921 and in 1922, the Department of Foreign Affairs of Latvia devoted significant efforts to achieving US recognition. In an interview, Prime Minister Meierovics particularly emphasized that the achievement of recognition by the United States would be the main foreign policy task of 1922.⁷ On 26 January 1922, on the first anniversary of the *de iure* recognition of the state, Seja reported that the US representative in Riga, Evans Young, "was speaking very energetically for the recognition of the Baltic States".⁸

Finally, in the summer of 1922, with America's policy towards Russia changing, the US government recognized the Baltic States *de iure*. On 28 July, the US government made an official statement justifying this decision with the fact that the governments of the mentioned countries had been able to ensure political and economic stability in their countries. A significant remark followed: the US government has always believed that unrest in Russia cannot be a reason for the separation of its territories, but in the case of recognizing the governments of the Baltic States, that principle had not been violated. On the same day (28 July), the temporary head of the US representation, Consul in Charge Harli Quarton in Riga, submitted a note on recognition without restrictions to the Latvian government.⁹ In the accompanying letter, he emphasized that the recognition also affects Estonia and Lithuania, and that Young would be given the rank of envoy and minister plenipotentiary and would continue to represent the United States in Latvia.¹⁰

The outcome of recognition was more legal in nature. Hopes for cooperation in business ventures succeeded only partially, due to various reasons. However, henceforth Latvian and US relations evolved on the basis of equality, leaving a lasting imprint, even when Latvia's independence was *de facto* destroyed in 1940.

Diplomatic, cultural and economic relations

Official diplomatic relations between USA and Latvia were quickly fully established after the recognition of the Latvian statehood. An American legation (at first a legation to all three Baltic States, then from 1937 only to Latvia and Estonia) and consulate (from 1919 to 1940) operated in Riga.

Following that, American diplomatic representatives had their offices in Latvia. From October 1919 to May 1920, the representative of the United States in the territory of Latvia was the Commissioner of the State Department in Baltic Provinces John Alleyne Gade (1875–1955). Gade was followed in this post by Evans Young (1878–1946), who fulfilled it until the official recognition came in 1922.

After the legation of United States in Latvia was officially established in Riga, the following envoys extraordinary and ministers plenipotentiary resided there: Frederick W.B. Coleman (1874–1947) from November 1922 to January 1932; Robert Peet Skinner (1866–1960) from January 1932 to December 1933; John Van Antwerp MacMurray (1881–1960) from December 1933 to July 1936; Arthur Bliss Lane (1894–1956), *charge d'affaires* from September 1936 to September 1938; and John Cooper Wiley (1893–1967) from October 1938 to August 1940.

The first official Latvian representative in the United States was Ludvigs Seja (1885–1962), who was appointed as a delegate of Latvian government to the United States and who operated there from March 1921 to September 1922 in this capacity. The Latvian legation in Washington being established in 1922, Seja became at first *charge d'affaires* (from September 1922 to May 1925) and then envoy extraordinary and minister plenipotentiary (from May 1925 to April 1927). The legation was active in the period from 1922–1927 and then again from 1935 onward, when the post of envoy extraordinary and minister plenipotentiary was fulfilled by Alfreds Bilmanis (1887–1948) from October 1935 until his death in July 1948.

During the break from 1927 until 1935, the functions of the Latvian diplomatic representation were carried out by the consulate general in New York. From 1921 to September 1936, the Consul General in New York was Arturs Lule (1882–1941), and from February 1937 to September 1940 it was Rudolfs Sillers (1896–1981).

There were also many honorary consulates of Latvia in the biggest cities of the United States: New York, Boston, Charleston, Chicago, Denver, Jacksonville, Philadelphia, Galveston, Indianapolis, Cleveland, Los Angeles, Louisville, Memphis, Milwaukee, Mobile, Norfolk, New Orleans, Oklahoma City, Pittsburgh, Portland, San Francisco, Saint Louis, and Seattle. In most of these cases, local businessmen or public workers acted as honorary consuls, and some of them were Latvians by origin.

During the interwar period, relations between Latvia and the US quickly developed in the fields of science, culture and sports. An important link in this development was the relatively large Latvian group living in the USA (about 35,000 people). In the 1930s a professor from the University of Minnesota named John Akerman (1897–1972), who was Latvian by origin, became a leading American aeronautics expert and designer. In 1935 and 1939, he visited Latvia and consulted the VEF factory in Riga. The VEF produced the plane VEF JDA-10M, which was of Akerman's design.

In general, American writers, music and films gained popularity in Latvia. A Latvian delegation participated in the Summer Olympic Games in Los Angeles in 1932. In political life, an important event was the visit of former President of the US Herbert Hoover to Latvia in March of 1938.

Cultural, scientific, and postal relations were intensifying, and a regular passenger service had been established between ports in Liepaja and New York.

The aftermath of World War II

In a secret annex to the non-aggression pact between Germany and the Soviet Union signed on 23 August 1939, Latvia was left in the "sphere of interests" of the USSR. During 1939 and the first half of 1940, the US government and its legation in Riga observed with concern the military and political developments in Europe. In June 1940, the Soviet Union occupied and later (in August) annexed the Baltic States by using the threat of military force and promising to preserve the independence of Latvia, Estonia and Lithuania. After the occupation of the country in the summer of 1940, the representatives of the United States left Latvia and the other Baltic States.

Despite the illegal nature of the occupation and subsequent annexation, even after the end of World War II, the territory of Latvia remained part of the USSR. Most of the world's democratic countries, including the United States as a leader of this group, continued to recognize the existence of the Baltic States *de iure* and did not recognize the USSR's rights to their territories. US policy on the question of Baltic independence was created and determined in later years by the declaration of the acting US Secretary of State Sumner Welles on

23 July 1940, which clearly stated that the US does not recognize the annexation and incorporation of Latvia, Lithuania and Estonia. This position was based on the 1932 Stimson Doctrine, which provided for the non-recognition of the seizure of another country's territory if it was carried out by force or threats.

The Welles declaration became the basis for the US's policy of non-recognition of the occupation and annexation of the Baltic States into the USSR, a policy which remained in effect until the restoration of relations after the renewal of Latvia's independence in 1991. The policy of non-recognition determined the nature of relations between the USA and Latvia. According to that policy, the USA held no official relations with the Soviet Socialist Republic of Latvia and recognized the diplomats of the Republic of Latvia as the only official representatives of the country.

During the summer of 1940, most Latvian diplomatic and consular missions abroad were gradually abolished and received orders to transfer all property to the missions of the Soviet Union. Several missions refused to comply, and, in several cases where the host country did not legally recognize the annexation, continued to function even after the war. Besides the legation in Great Britain, one notable such exception was the Latvian legation in Washington. After the death of Minister Alfreds Bilmanis in 1948, the legation was headed by *Chargé d'affaires* Julijs Feldmans (from 1949–1953), followed by Arnolds Spekke (1954–1970) and Anatols Dinbergs (1970–1991)¹¹.

The continuation of the existence and activity of the Latvian diplomatic service was a practical embodiment and symbol of the policy of non-recognition. Latvia's diplomatic representation in the United States during the Cold War had a special significance because the United States was the main supporter of the policy of non-recognition of the USSR's jurisdiction over the Baltic States – and, accordingly, the *de iure* status of Latvia's existence in the world. Accordingly, the diplomatic representation of Latvia in the USA was not only symbolically more important, but it was also in the most suitable position for defending the issue of the legal continuation of the Latvian state. The USA was also the only country that fully preserved the status, diplomatic privileges and immunity of Latvian diplomats. After the death of the head of Latvian diplomats Karlis Zarins (the Latvian legation in London) in 1963, the US representation became the main one also from the point of view of the internal hierarchy of

the diplomatic service of Latvia. The head of the US representation, Spekke, assumed the leadership of the entire diplomatic service of the Republic of Latvia. Also, the importance of the representative office in the USA was strengthened by the fact that in addition to the legation in the USA, the activity of the entire small remaining Latvian diplomatic and consular network was financed through that office from the funds the Latvian state had deposited in the USA.

Besides the Latvian legation in the United States, whose role because of its very limited funds and staff was more symbolic than practical in nature, the Latvian diaspora in the USA was a very active promoter of the interests of Latvian people and the Republic of Latvia. As with most ethnic groups, diaspora Latvians actively engaged in preserving the Latvian language and traditional crafts and arts.¹²

But above all, Latvians in the USA were devoted to raising awareness about Baltic issues and fervently continued to hope that their homeland would regain independence. Restoring Latvia's independence was the highest goal of the diaspora. The practical work to bring this goal closer was carried out by diaspora organizations and individuals engaging in political lobbying in the interests of restoring the independence of the Baltic States, addressing the governments of their host countries as well as international organizations. Public protest actions and demonstrations, in turn, served to inform the host country's society about the Baltic States and their fate.

The USA was the main center of the national political activities of the Latvian diaspora. Not only did the largest diaspora community live in the USA, but the USA was also the main counter-force to the communist countries and, accordingly, the main ally of the Latvian diaspora during the Cold War. As American citizens, Latvians executed their political rights and lobbied the White House and Congress in favor of this ultimate goal – freedom for Latvia.

Renewal of the republic

The fervently sought-after goal of the diaspora – the restoration of the Republic of Latvia – became possible due to internal changes within the Soviet Union in late 1980s. Attempts by the Soviet leader Mikhail Gorbachev to reform the Soviet Union in the second half of 1980s led to a wave of freedom movements in the Baltic States.

US support was particularly important during the unstable situation in January 1991, when military action against the Baltic States by the USSR was feared. To protect the most important government and communications buildings, barricades were erected in Riga and manned by unarmed civilians ready to defend their freedom. In an attempt to de-escalate the situation and prevent bloodshed, the USA delayed economic aid agreements with the USSR. The president of the USA, George Bush, was also instrumental in promoting the restoration the independence of the Baltic States in 1991. When meeting with the president of the USSR, Mikhail Gorbachev, and later with the president of the Russian Federation, Boris Yeltsin, President Bush contributed to raising the issue of the freedom of the Baltic States.

The final separation of Latvia from the USSR came during the period of administrative chaos that surrounded the lack of an official government in Moscow, known as August Coup, on 19–22 August 1991. On 21 August, the Supreme Council of Latvia adopted a constitutional law "On the statehood of the Republic of Latvia", thus fully restoring the independence of the Republic of Latvia. This was followed by a wave of official recognition statements from countries all over the world. On 2 September, the USA also announced their readiness to renew full diplomatic relations with Latvia.

The first unofficial contacts between the governments of the USA and Latvia were formed already in the late 1980s through the intermediation of the Latvian diaspora in the USA¹³ and the Latvian legation in the USA. Already in the summer of 1990, Latvian Prime Minister Ivars Godmanis and Minister of Foreign Affairs Janis Jurkans visited the USA. Although the visit was not of an official nature, the two Latvian politicians were received both by US Secretary of State James Baker and also by the US President Bush. In September 1991, Anatolijs Gorbunovs, Chairman of the Supreme Council of the Republic of Latvia, made an official visit to the USA. In September 1991, full diplomatic relations between Latvia and the USA were also restored. On 18 September, former *chargé d'affaires* of the Latvian legation in the USA Anatols Dinbergs was appointed as an ambassador to the United States, and he continued his service in this capacity.

It is safe to say that the policy of non-recognition of the occupation and annexation of the Baltic States into the USSR, which was upheld by the USA for the long decades between World War II and the final

restoration of independence in 1991, was of paramount importance to achieving independence again. This policy ensured the continuity of statehood, created a solid legal basis for the renewal of the Baltic States, and greatly facilitated the international recognition of the restored countries.

Since the restoration of independence, the United States of America has been a good friend and valuable ally of the Baltic States and Latvia. The USA has promoted Latvia's integration into NATO and the European Union. Mutual visits of US and Latvian officials to each others' countries take place regularly. Latvia and the USA have developed particularly good cooperation in the fields of defense and the economy. Looking back on the centenary of mutual relations, Latvia looks to the future with hope and confidence for equally good and valuable relations with the US in the future as well.

ENDNOTES

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- ² Jēkabsons, Ē. 2018. The Latvian War of Independence 1918–1920 and the United States. In: Fleishman, L. and Weiner, A., eds. *War, Revolution, and Governance: The Baltic Countries in the Twentieth Century*. Boston: Academic Studies Press, 17–29.
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- ⁸ Latvijas Valsts vēstures arhīvs. 253. f., 1. apr., 453. l., 95.
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Grateful thanks: The beginning of Latvia–US relations

Aldis Purs

The short statement included in the title came from the 30 June 1922 *New York Times* article that reported that Prime Minister Meierovich (sic) expressed “Grateful thanks for American recognition” in a cable dispatch to the State Department. The cable continued, saying that this recognition “cannot but strengthen and deepen the friendship entertained by the people of Latvia for the people of the United States”¹.

This paper examines the beginnings of international relations between the Republic of Latvia and the United States of America. Collectively, we have a tendency to read the present backwards into the past; if Latvia and the United States currently have a strong relationship, and if the United States stood firm to a policy of non-recognition of the Soviet annexation of Latvia in the summer of 1940, then we assume the two states must have been close allies before these events. This article suggests the opposite. Historians frequently cite President Woodrow Wilson’s 14 points as a foundational moment for the nation-states that established independence in the aftermath of World War I. Instead, this article argues that the 14 points targeted the enemies of the Triple Entente, left room for an indivisible Russian state, and played most to a domestic American audience skeptical of foreign entanglements and secret treaties. Similarly, the 14 points played no role in Soviet or Baltic-German aristocratic considerations, and Latvian nationalists looked first to powers that were able and willing to help on the ground in the struggle for statehood. Through the 1920s and the 1930s, US–Latvia relations remained cordial, but the two states had little to offer each other, and they each focused their diplomatic staffs on other endeavors. Likewise, as Soviet occupation loomed and then began in Latvia, Latvia did not ask for or expect to receive material aid, nor did the US offer it. The United States’ devotion to Latvia (and Estonia and Lithuania) began as a principled reaction to unbridled Soviet aggression, not as a defense

of individual countries. The United States' development and attachment to the policy of non-recognition reflected the Cold War more than being a plan for Latvia. Still, Latvia's recognized diplomats abroad clung to this policy as the outline for a plan to preserve statehood. In the 1980s, as popular movements challenged continued Soviet rule, the extant policy and the memory of statehood and independence helped fast-track an end to Soviet rule domestically and a return to the international stage.

Woodrow Wilson's 14 points and the very slow US recognition of Latvia's independence

On 8 January 1918, President Woodrow Wilson outlined US war aims in his "14 Points" speech to the US Congress.² The points called for the abolition of secret treaties, arms reduction, adjustments to colonial possessions, the fostering of free trade, and the future creation of a "general association of nations" that would "afford mutual guarantees of political independence and territorial integrity to great and small states alike". Of established states, only France, Belgium, Italy, Romania, Serbia and Montenegro were explicitly favored in an imagined future settlement. Point 11 called for "the relations of the several Balkan states" to be determined "by friendly counsel along historically established lines of allegiance and nationality".

Wilson's introduction of national rights to autonomy clearly targeted only the enemies of the Entente powers; Italy's frontiers should be set along "clearly recognizable lines of nationality" at the expense of Austria-Hungary (Point 9); the nations of Austria-Hungary "should be accorded the freest opportunity to autonomous development" (Point 10); and the "other nationalities which are now under Ottoman rule should be assured an undoubted security of life and an absolutely unmolested opportunity of autonomous development" (Point 12). Wilson went to great pains (Point 6) to leave the question of Russia to the future, and he recognized its right to an "independent determination of her own political development and national policy". Wilson further hoped that in future relations with Russia, the Entente would treat her with "good will" and comprehend "her needs as distinguished from their own interests" (Point 6). In other words, the autonomous development of nationalities within the Austro-Hungarian Empire and Ottoman Empire did not

apply – Russia could distinguish its own interests and national policy. Wilson clearly hoped this would stand in stark contrast to the territorial demands of Germany and the Austro-Hungarian Empire at the ongoing Brest-Litovsk Treaty negotiations.

Only Poland received an explicit endorsement of “an independent Polish state [...] inhabited by indisputably Polish populations” (Point 13). But, alas, Poland had Ignacy Jan Paderewski whispering in Woodrow Wilson’s ear between piano concertos, and the nations within the former Russian Empire did not. At the start of 1918, Wilson’s 14 points were meant primarily for domestic consumption, to convince a doubting population that a “foreign entanglement” was in the US’s interest. The points repudiated the backroom, secret treaties and tried to transfer American domestic values to the international arena. Initially, the 14 points were criticized at home by Wilson’s rivals (a chorus that would grow louder) and were mostly ignored in Europe. At the beginning of 1918, the Central Powers seemed more likely to win on the battlefield, and thus the focus on their minorities seemed a blatant attempt to divide their home fronts while simultaneously trying to woo Russia back into the war. In the lands of contemporary Latvia, few took notice. Less than three weeks later, conservative Baltic-German noblemen from Livland and Estland announced their intention to break away from Russia according to terms in the 1721 Treaty of Nystad.³ They were promptly arrested by the Bolsheviks, but after the Treaty of Brest-Litovsk was signed, they were released and returned to the eastern Baltic littoral to maneuver and re-create an independent Duchy of Courland and Semigallia that could then unite with the Kingdom of Prussia. In April of 1918, some Baltic-German representatives called on Wilhelm II to annex Baltic lands. These plans and a later project for a United Baltic Duchy were all scuttled by the German defeat in November of 1918, but at the beginning of the year, these seemed to be far more likely projects than the application of Wilson’s 14 points.

Likewise, the most powerful and popular political force on the ground, ISKOLAT – the Executive Committee of the Soviet of Workers, Soldiers, and the Landless in Latvia – was closely (almost inseparably) aligned with the Bolshevik leadership in Soviet Russia. By late-1917 and early-1918, Latvian Bolsheviks had taken the majority in the Executive Committee and were busy bringing the October Revolution to Latvian lands.⁴ Their larger vision connected to a federated scheme with Soviet Russia, and national autonomy was far less important than class

solidarity. Just as quickly, as German troops occupied all of Latvian and Estonian lands, ISKOLAT's fortunes waned. The Executive Committee fled to Moscow in February of 1918, and it disbanded in March.

The last political movement and weakest numerically, the Latvian Provisional National Council, founded from 16–19 November 1917, would have drawn inspiration from the spirit of Wilson's 14 points, but was driven underground by ISKOLAT decree in December of 1917.⁵ Harried by Bolsheviks, and then by German occupational authorities, the members of the Latvian Provisional National Council decamped to build support among refugee organizations and nascent social and political parties and movements, but this work was slow, dangerous, and inconclusive. The National Council's Foreign Affairs delegation reached out to foreign newspapers, as well as the Swedish, British, and French embassies, but they found even official meetings difficult to achieve. On the very day that President Wilson explained his 14 points to the US Congress, a delegation of three from the National Council met with David R. Francis, the US ambassador to Russia in Petrograd.

Francis claimed general ignorance about Latvian history and demands, and only offered a lukewarm general response: if Latvians are a separate nation with their own language and intelligentsia, why couldn't they form a state? Francis, however, returned to the pressing imperative of defeating Germany in the war. Here, as in Wilson's 14 points, supporting Latvian national autonomy or independence could offer almost nothing in the war against Germany. Through most of 1918, the United States saw no practical value in supporting Latvian national aspirations, and instead saw many negative consequences to abandoning the principle of an indivisible Russian state. Neither those aligned with a possibly triumphant Germany nor those attached to the Bolshevik experiment in Russia saw value in independent relations with the USA. Official relations between the US and a Latvian political body would have to wait for transformational geopolitical change.

Germany's defeat on the Western Front in November of 1918 was the transformational, geopolitical change that moved Latvian national aspirations from the realm of transitional work to independent statehood, but through most of this formative process, official US involvement was negligible, and Latvia's international efforts were focused on Europe. As a new council, the People's Council (*Tautas padome*) – similar to, but not the same as, the aforementioned Provisional National

Council – appeared and declared independence on 18 November 1918. The Council's first international relations were with the remaining representatives of the German occupational administration and with British gunboats that had recently arrived in the Gulf of Riga.

The overwhelming concern stemmed from the Bolshevik advance from the east, but little could be done to hold Riga. British sailors patrolled some streets, trained some Latvian soldiers, and unloaded some provisions, but there was little popular political will or military ability to slow Bolshevik forces from taking Riga, pushing the new national government and its German allies to the western banks of the Venta River, some 150 kilometers further west. A new Soviet Latvian government took up the mantle of ISKOLAT and imagined an even closer union with Soviet Russia. Eventually, in March of 1919, the combined national Latvian and remaining German forces began a slow, steady counterattack, which reclaimed Riga at the end of May. By June, hostilities between these forces broke into open combat, and the Latvian national forces together with Estonian national forces, fought the remaining German units near Cesis. The British and French stepped in to broker a short-lived peace, with hopes of keeping all combatants focused on the Bolsheviks. After another break and then a final battle at the siege of Riga in October and November of 1919, British and French gunboats helped the Latvian national forces counterattack, followed by a final negotiated withdrawal of German (and other) forces from Latvia.⁶ Through all of these battles and shifting loyalties, French and British officers and their foreign offices played a central role. The Americans were essentially not involved.

As the Latvian national government struggled to defend Riga and establish a state, President Woodrow Wilson set sail from the United States for the Versailles Peace Conference; Latvia was not on his mind. As the national Latvian government was at its territorial nadir, barely clinging to a sliver of territory in the far west of Latvia, President Wilson's emissary, William Buckler, met with Maxim Litvinov, a leading member of the Soviet government's Council of People's Commissars, in Stockholm to discuss possible peace settlements. Nothing came of these talks, and Litvinov was deported from Sweden, but it highlights that Wilson's understanding of a post-war settlement centered on Great Powers and not small nations. As Wilson and the other Big Three (the United Kingdom, France, and Italy) listened to national delegations

and eventually authored a series of peace treaties, the US remained uninterested in relations with Latvia.

A Latvian delegation at Versailles (as well as delegations from Estonia, Lithuania, and 18 other countries) did lobby for inclusion in the post-war European framework and for recognition of their statehood, but they were rebuffed. Poland and Czechoslovakia were the only newly independent states recognized at the conference, thus becoming signatories to the peace treaties (delegations from Greece and Romania, as well as the Serbs, Croatians and Slovenes, also signed, but they had already achieved independence prior to World War I). As the diplomatic arena turned toward a new, international project, the League of Nations (founded 10 January 1920), and as European powers began to grant Latvia *de facto* recognition and have staff diplomatic presences in Riga, as well as beginning to develop commercial, cultural, and even military ties with Latvia, the United States did not engage with the country. Wilson's grand international engagement was rebuffed at home, Congress voted down an proposal to join the League, and the United States entered a general period of relative isolationism – under these conditions, the US had minimal interest in Latvia.

The American Relief Administration in Latvia

The beginning of relations (at least to Latvian authorities) was through the American Relief Administration, which organized a humanitarian effort to ease famine and disease in Eastern Europe and Russia.⁷ Headed by Herbert Hoover, the ARA's predecessor had organized relief efforts to Belgium through the war, and on 24 February 1919 it was tasked by the US Congress to deliver relief supplies to 23 war-torn countries in Europe.⁸ Poland and Soviet Russia were two of the largest beneficiaries of the ARA's work, and from the spring of 1919, a mission was also established in Latvia to use its ports and rail networks as a gateway into Soviet Russia. The Latvian government, however, chose to understand their arrival as a preliminary step to full diplomatic recognition. Neither side understood the other particularly well.

When Thomas Orbison at the ARA offices in Paris was given command of the mission, he wrote in his diary: "Will leave Paris tomorrow for Libau, Latvia. Where is it?"⁹ He similarly confided to his diary after disembarking

in Libau (Liepaja) on 2 June 2: "horses are small and poor, drivers are rough looking, people are curious". Another ARA officer, Minard Hamilton, imagined that the Russia of 1917 was waiting for him in Libau in May of 1919. He exclaimed: "Russia! Land of caviar and czars, and Cossacks, and Kerensky!" Hamilton did correctly describe the political situation as a "terrible mess", but he did not see much caviar, no tsars or Kerensky, although Cossacks would make appearances.¹⁰ Still, to Hamilton and for official US policy in May of 1919, Libau was the land of the tsars, or rather of a Russia united and indivisible. Keep in mind, to Latvian nationalists, May and June of 1919 were dominated by the liberation of Riga from the Bolsheviks and the fraying and collapse of a joint German and national Latvian armed struggle and the outbreak of war between them, but ARA officials gave little attention to any of this in their notes and diaries.

During the climactic siege of Riga in October and November of 1919, the Latvian national government again chose to misread the activities of the ARA and their diplomatic meaning. As the renamed German and White Russian forces, headed by the adventurer Pavel Bermond-Avalov, attacked Riga, and the British and French first tried to limit in-fighting before throwing their military might behind the Latvian national government, Orbison and Hamilton were busy arranging food shipments. Orbison decided to remain in the besieged city as the Latvian government contemplated evacuating to Cesis. Orbison's office was even hit by a German shell (possibly with a chemical element). Ulmanis and the Latvian national government decided to fete Orbison's bravery and dedication to the Latvian cause. They drew local and international attention to a "heinous" German attack on American officials in the defense of Riga. Orbison, however, again in his diary confided a different explanation.¹¹ He assumed there would be a German victory and Latvian retreat, and he simply stayed in Riga to hasten the ARA's negotiations with the new victorious army – Orbison assumed that neither combatant enjoyed the full support of the United States and were simply local players in the larger scheme of hostilities.

After Latvia successfully expelled the last German troops and agreed to a ceasefire, armistice, and treaty with Soviet Russia (by the middle of 1920), Orbison's American Relief Administration remained the most noticeable US presence in Latvia, a presence that still fell short of full diplomatic recognition. Most Entente powers fully recognized Latvia's statehood at the beginning of 1921; the United States held out until the

end of July 1922.¹² In this interim, Orbison was treated as a most-favored diplomat in Latvia. Karlis Ulmanis seemed to have a close, personal relationship with Orbison, and as Orbison prepared to leave Latvia, he was feted across the country. There were countless receptions, awards ceremonies, thanksgiving events at orphanages, hospitals and schools. Orbison returned to the US with several ornate, grand albums gifted to him by the people and government of Latvia.

Orbison's day-to-day business records, his personal diaries, and the records of Latvian government officials in contact with the ARA portray a different working relationship. Orbison confided to his diary that he doubted the Latvians' ability to govern themselves, and in frequent anti-Semitic outbursts he bemoaned Jewish influence in the new country.¹³ He and his officials constantly complained about graft and the demand for bribes from Latvian customs officers and government agents. The hired Latvian labor at ARA warehouses were openly suspected of near constant pilferage and theft.¹⁴ Latvian officials, on the other hand, described the Americans of the ARA as smug, arrogant, and condescending towards Latvian staff.¹⁵ In a few cases, Latvian officials lodged formal complaints about ARA's accusations of Latvian or Latvian governmental malfeasance.

Most shockingly to Latvian government officials, particularly in light of how lavishly they sent Orbison away, would have been how Latvians were presented in the ARA's public literature. Photographs showed American officials (Orbison included) giving aid to despondent, half-naked, starved children. They described Latvian conditions as abject poverty where the average experience of want included the daily choice of food or warmth. The Latvians were depicted as unable to feed, clothe or heal themselves without the magnanimous charity of America.¹⁶ Of course, this could be seen in the most difficult year of 1919, or at the transit centers for Latvian refugees returning from Soviet Russia, or in the most destitute urban working class slums, but it hardly represented the bulk of the Latvian experience. In 1919 and at the start of 1920, the ARA did feed a shockingly high percentage of the children of Latvia, but it was by no means a savior. At times, it even seemed superfluous or out of place. This author's grandfather remembered Americans (most likely the ARA) arriving outside of Talsi and distributing used and rusty trench shovels to everyone that arrived for handouts. Even to a child, they seemed at best curious.

The beginning of official relations between the USA and Latvia

As the ARA began to end its mission, the US government finally recognized Latvia's statehood and soon after opened an embassy. Still, in the first 10 years, the embassy remained largely an aloof and disinterested observer of developments in Latvia, mostly because its staff were focused on Soviet Russia, and the first ambassador was similarly unfocused. Latvia's diplomatic representation was similarly low-key. Arturs Lule¹⁷ and Nikolajs Aboltins headed a skeleton-thin staff, first in New York City and later in Washington, DC. Latvia's Ministry of Foreign Affairs rightly concluded that the lion's share of diplomatic budgets should go to representation with neighbors, possible antagonists, the European Great Powers, and to the new protector of the post-WWI order, the League of Nations.¹⁸ For the new, independent nation-states of Eastern and Central Europe, the "room where it happens" was in European capitals and at the League of Nations headquarters in Geneva, Switzerland. Latvia's best and brightest legal minds and diplomats worked assiduously to close economic agreements and to defend Latvia's legislation in the courts of the Permanent Court of International Justice. Diplomatic work in the United States of America as it embarked on a period of isolationism, on the other hand, was limited to occasional inquiries, and consular services for a very limited number of visiting businessmen and tourists from Latvia. More challenging for the staff was corralling the dozens of honorary consuls¹⁹ that emerged across the United States – some of whom abused their titles.

In Riga, on the other hand, the United States looked at, listened to, and gathered information about the Soviet Union. The United States had not yet recognized the Soviet government, and thus much of the embassy's intelligence-gathering service was devoted to the work they would have done in an embassy in Moscow. Several of the State Department's future leading experts on the Soviet Union began their diplomatic careers in Riga, looking eastward. Many followed the Soviet press and the Russian émigré press (monarchist, liberal, Menshevik and socialist revolutionary) more than the local Latvian press (with the exception of *Sevodnya*, which was headquartered in Riga and was one of the best Russian émigré newspapers). They were better-versed in the machinations of White Russian army officers and Duma politicians than

the latest legislative projects in the Saeima. Some, such as George F. Kennan, even found echoes of Tsarist Russia in the cultural milieu (and the drozhki, champagne, vodka and caviar they consumed).²⁰ Occasionally when a US business interest was embroiled in legal trouble or a Latvian strand within the larger espionage thread tying together Europe in the aftermath of the world war and the collapse of empires exposed something of interest to the United States, the embassy refocused on Latvia, but those were exceptions.²¹

The first US Ambassador to Latvia, Frederick Coleman, knew more of Latvia, hobnobbed with Latvia's political and economic elite, and socialized at the highest heights, but he remained largely ambivalent to Latvia's affairs. His diary duly noted sleeping late, staying out, wine, food, women and cards. He described politicians purely in social terms ("a good chap") and never mentioned their political opinions. He even failed to notice the death of Latvia's minister president in an automobile accident, which gripped the nation in days of sorrow, until someone informed him several days later.²² But Coleman was not in Riga to act as an extension of the State Department's information-gathering operation or to lobby for US economic interests. He was, instead, a political appointee owing his post to domestic connections to the Republican Party in the United States. He (mis-)used the diplomatic pouch to keep in touch with political developments and appointments at home, not to send reports about Latvia. He even seemed to have used his time and position to have possibly benefitted financially – often sending icons from Russia to friends and family through the security of the embassy post.²³ To realize that he (and subsequent ambassadors through the 1930s) were simultaneously accredited to Lithuania and Estonia while remaining resident in Riga underscores how poorly he mastered the intricacies of the Baltic States or how little value the United States placed on the posting.

One partial exception to this rule was when the US embassy took notice of, tracked and interviewed US citizens *en route* to the Soviet Union. Soviet propaganda to the West and the hopeful aspirations of fellow travelers in the West led some young intellectuals to move to the USSR to help build a socialist paradise. As the depression crested in the United States, some politically aware American workers even sought better opportunities in Soviet Russia. Maxim Matusevich tracks this "race tourism" of the interwar years and the intersectionality of race and class in consular interviews at the Riga legation in a recent article titled

“Blackness the Color of Red: Negotiating Race at the US Legation in Riga, Latvia, 1922–33”.²⁴

But this episode, which tells more about American narratives of race and radicalism than about Latvia, was accidental – these interviews and this surveillance happened in Riga because there was no embassy in the Soviet Union. Once the United States recognized the Soviet Union, an embassy opened in Moscow soon after, and this task fell to them. The listening staff in Riga also decamped to Moscow, and Riga and Latvia’s importance to the USA and the State Department further eroded. Ironically, the staff that remained in Latvia now focused on Latvia (and Estonia and Lithuania), and the remaining ambassadors²⁵ were foreign service officers and not political appointees. John C. Wiley, who already served in Riga under Coleman, rose to the top post in 1938 and remained at the post until 17 June 1940. Wiley’s reports to the secretary of state, although they had a particular bias, were more than competent distillations of the politics and economics of Latvia.²⁶ Wiley particularly looked at the authoritarian tendencies within the Ulmanis regime with a well-trained and critical eye.

Likewise, in the United States, a better-qualified diplomat assumed the ambassador’s position in 1935, Alfreds Bilmanis. For cost savings, and as a calculated return on an investment decision, Latvia had resisted opening a full diplomatic office in Washington DC when the United States did in Riga. Finally, Bilmanis was recalled from his important post in Moscow to open a fully staffed and accredited embassy in the USA. This decision was more than serendipitous – the United States, which had been far from a priority for Latvia’s Ministry of Foreign Affairs, would become the champion of the non-recognition policy of Latvia’s annexation to the Soviet Union. Likewise, Bilmanis who knew the Soviet Union firsthand, who was fluent in English and was an inexhaustible promoter of Latvia, became the ambassador Latvia most needed after it was occupied and annexed.²⁷

The US and Latvia, 1940

During the tragic denouement of Latvia’s independent statehood, from August of 1939 to June of 1941, Latvia did not look to the US for possible aid and succor, nor did the United States offer it. As rumors of secret protocols to the Treaty of Non-Aggression between Germany and the

Union of Soviet Socialist Republics swirled through Baltic and European capitals, Latvia's Ministry of Foreign Affairs desperately tried to decipher their existence and/or meaning. In the following series of ultimatums (for bases in September of 1939 and occupation in June of 1940), Latvia's Ministry of Foreign Affairs again turned to possible allies for any possible aid. Not only did diplomats enquire with France, the United Kingdom, and the League of Nations, but they even sought clarifications from Germany. The United States, mired in isolationism and not yet ready to even defend their allies from the World War I, was not considered by Latvia. Even the last-minute plans for the authorization of Latvia's ambassador to the United Kingdom, Karlis Zarins, as representative of Latvia in case of crisis looked first to a possible, realistic European ally. The happenstance inclusion of Alfreds Bilmanis as well may have been more a nod to the precarious position the United Kingdom was suddenly in than an expectation of US support.

In the United States, Soviet annexation did not immediately provoke an iron-clad policy that would define non-recognition for the next 51 years, rather this developed more as an enunciation of a principle that with time became codified into policy. From February of 1940, Ambassador to the Soviet Union Laurence A. Steinhardt, Charge to the Soviet Union Walter C. Thurston, and the abovementioned John Wiley tracked rumors about an upcoming extension of Soviet control over Estonia, Latvia and Lithuania.²⁸ They predicted that the Soviet Union might "synchronize" any such activity with events in Western Europe to mute European-wide reactions. On 7 June, Wiley informed the State Department that a German military attaché to Helsinki and Tallinn was predicting that the Baltic States "would cease to exist" by 1 September (Wiley asked this news to be relayed as well to the US Minister of War).²⁹ The US embassy was clearly well-informed of the rapid sequence of events, and it had reliable, highly placed sources in all three Baltic governments – there were, however, also no requests for aid or suggestions from the diplomatic staff that it should be offered.

John Wiley, who had few sympathies for the Ulmanis government (concluding that it was an authoritarian regime in peasant garb), still disliked the actions of the Soviet Union and believed in the rights of Latvians to self-determination. More than a month after shuttering the US embassy in Riga, he helped Sumner Welles compose the statement of 23 July 1940 that would begin the US policy of the non-recognition of

the Soviet annexation of Estonia, Latvia and Lithuania. Of independent Baltic statehood, Welles wrote that the US “watched their admirable progress in self-government with deep and sympathetic interest”. The decision to not recognize the “deliberate annihilation” of small states by their “more powerful neighbors” was born out of US principles concerning the foundations of “relations between nations” – the rule of reason, of justice, and of law.³⁰ In the summer of 1940, the trampling of these principles influenced this US decision, not the actual fate of the Baltic republics. With time, however, the policy took root in the fertile divisions of the Cold War, and it became a mantra of US relations with the Soviet Union. The continued existence of this non-recognition is due to the work of Latvia’s last accredited diplomats,³¹ who stubbornly clung to their formal role for decades, and not to any established diplomatic, political, economic, cultural or military friendship between Latvia and the United States in the interwar years.³²

Concluding remarks

Official relations between Latvia and the United States of America are now more than 100 years old. Initially, neither state saw much of immediate value in the other. The United States held out longest among Entente powers for a revived, non-Bolshevik Russia and parroted the “Russia, one and indivisible” slogan of the White Armies in the Russian Civil War. Additionally, Woodrow Wilson suffered debilitating strokes and ended his presidency with his foreign policy dreams of a US-led League of Nations in shambles. The US Congress and Wilson’s successor, Warren G. Harding, pulled the US into a period of relative isolationism. Under Harding’s orders, Secretary of State Charles Evans Hughes went so far as to initially ignore communications from the League of Nations and deal bilaterally instead. Latvia’s governing cabinets and its Ministry of Foreign Affairs acted accordingly; they most aggressively pursued relations with neighbors and possible European allies and largely saw the US symbolically. There was likely a certain calculus about the return on investment – manning a diplomatic mission in far-away and expensive America, particularly when the USA showed little to no interest in Latvia, seemed frivolous for a state facing massive financial demands. There were, of course, always echoes of illusory

greater connections. The American Relief Administration conducted a significant early humanitarian mission in Latvia, the American ideal played a certain cultural role (particularly as US films challenged German films for hegemony in the Latvian market) – ranging from easy wealth, to cowboys and native Americans, to Pinkerton detectives and gangsters. After Ulmanis seized power in May of 1934, throughout his authoritarian regime, occasional echoes of his time in the United States (from 1907 to 1913) percolated through some governmental programs. Were the “mazpulki” partly inspired by the “4-H Club”, was the “Apceļo savu dzimto zemi” campaign based on the “See America First” campaign? These American campaigns likely did influence the Latvian ones, but this list of influences is short. The Republic of Latvia did not look at their relations with the United States as foundational to their economic, political or military development.

Nevertheless, the US decision to not recognize the Soviet Union’s annexation and incorporation of Latvia (and Estonia and Lithuania) gave the idea of Latvian national statehood a kind of refractory period. As the *de facto* re-establishment of independence following Soviet victory in World War II receded, Latvian exiles – beginning with Alfreds Bilmanis as the ambassador of Latvia without a country in Washington DC – skillfully, insistently, and consistently built the case for the US to keep the non-recognition policy. They tailored the Latvian experience to the Cold War narratives of the 1950s – Latvia as a Christian, democratic country and market-based economy, even if none of these were entirely accurate. Latvia’s case became that of an original martyr to communist world aggression. The campaign worked; the US State Department could find no easy exit from the principles behind non-recognition and essentially decided to wait out the old men of Latvia’s diplomatic corps. Surprisingly, these old men lived to see a new generation of Latvians pushing for radical reform in the 1980s. The idea of these men and the policy of non-recognition gave Latvia in the 1980s a temporal bridge to the state of the 1920s and 1930s.

ENDNOTES

¹ “Latvia Cables “Grateful Thanks”,” in *New York Times*, 30 Jul 1922, pg. 1.

² United States. President (1913–1921: Wilson). (1918). Address of the President of the United States: delivered at a joint session of the two houses of Congress, January 8, 1918. Washington: [Govt. print. off.].

- ³ See, for example, John Hiden, *The Baltic States and Weimar Ostpolitik* (Cambridge UP, 1987) or Vejas Gabriel Liulevicius, *The German Myth of the East: 1800 to the Present* (Oxford UP, 2009).
- ⁴ Andrew Ezergailis, *The 1917 Revolution in Latvia* (Columbia UP, 1974)
- ⁵ Jānis Tomaševskis, *Neatkarības čuksti: Latviešu pagaidu nacionālās padomes vēsture* (Jumava, 2017).
- ⁶ "Centenary of the Latvian War for Independence and Latvian Army", Latvian national armed forces, <https://www.mil.lv/latvijas-neatkaribas-kars>
- ⁷ See Aldis Purs (2008), "Weak and Half-Starved Peoples meet Vodka, Champagne, Gypsies and *Drozhki*: Relations between the Republic of Latvia and the USA from 1918 to 1940" in Daunis Auers, ed., *Latvia and the USA: From Captive Nation to Strategic Partner* (Riga: Academic Press of the University of Latvia), pp. 19–32.
- ⁸ Frank M. Surface and Raymond L. Bland, *American Food in the World War and Reconstruction Period: Operations of the Organizations under the Direction of Herbert Hoover, 1914 to 1924* (Stanford UP, 1931); Douglas Smith, *The Russian Job: The Forgotten Story of How America Saved the Soviet Union from Ruin* (Farrar, Straus and Giroux, 2019).
- ⁹ Box 1, Diary 1919–1920 in the Thomas J. Orbison collection at the Hoover Institution Archives at Stanford University.
- ¹⁰ Diary, p. 10. Box 1 of the Minard Hamilton collection at the Hoover Institution Archives.
- ¹¹ Ibid, '10 October entry.'
- ¹² In his unpublished memoirs, Loy Henderson blamed the delay on "Old Russia" influence in the State Department. Henderson Collection at the Hoover Institution Archives.
- ¹³ Box 3 of the Orbison Collection at the Hoover Institution Archives.
- ¹⁴ Ibid, Folder 12, Warehouses Riga, Receipt of 19 September 1921.
- ¹⁵ "Letter of 10 October 1921" from the Ministry of the Interior to the ARA, American Relief Administration European Unit Collection, Box 465 at the Hoover Institution Archives.
- ¹⁶ "Bare Feet or Empty Stomach" by Nellie E. Gardner, 3 February 1922, p. 1 in Box 465, Folder 3 – Publicity of the ARA Collection, Hoover Institution Archives.
- ¹⁷ "Artūrs Lule" in Pauls Kroders, ed. (1929), *Latvijas darbinieku galerija, 1918–1929*, Riga: Grāmatu draugs, p. 94.
- ¹⁸ On the Ministry of Foreign Affairs' difficult first years, see Ainārs Lehris (1998). "Latvijas ārpolitiskā dienesta un ārlietu ministrijas pirmie darbības gadi (1919.gads–20. gadu pirmā puse)" in *Latvijas vēstures institūta žurnāls*, 2, pp. 100–128.
- ¹⁹ 'Latvijas diplomatiskās pārstāvības ārzemēs' in Alfreds Bilmanis et al eds. (1929), *Latvijas Republikas Desmit Pastāvēšanas Gados*. Rīga: Golts un Jurjans, pp. 88–89.
- ²⁰ See George F. Kennan (1967), *Memoirs, 1925–1950*. Toronto: Atlantic Monthly Press Book.
- ²¹ For espionage networks in Latvia, see Vija Kaņepe, ed. (2001) *Latvijas izlūkdienesti 1919.–1940. 664 likteņi*. Riga: LU Žurnāla "Latvijas vēsture" fonds.
- ²² Frederick W. Coleman diaries 1909–1938, "Diary of 1919–1923" at the Hoover Institution Archives, Stanford University.
- ²³ Box 1 of Loy W. Henderson Collection at the Hoover Institution Archives, Stanford University.
- ²⁴ Journal of Contemporary History 2017, Vol. 52 (4) 832–852.
- ²⁵ Technically, their official title was Envoy Extraordinary and Minister Plenipotentiary.
- ²⁶ 'Report of 18 December 1931' No. 8334, 1177.1 Microfilm Roll – 860p.00, Roll 11. Records of the Department of State, Record Group 59; National Archives at College Park, College Park MD. Most of the archival files from the US Embassy in Riga are in Record Group 59.

- ²⁷ Bīlmanis, Alfreds'in Arveds Švābe, ed. (1950), *Latvju enciklopēdija*. Stockholm: Trīs zvaigznes, p. 268.
- ²⁸ "The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State," 17 February 1940, History and Public Policy Program Digital Archive, Foreign Relations of the United States Diplomatic Papers, 1940, General, Volume I, Document 351. <https://digitalarchive.wilsoncenter.org/document/145005>.
- ²⁹ "The Minister in Latvia (Wiley) to the Secretary of State," 7 June 1940, History and Public Policy Program Digital Archive, Foreign Relations of the United States Diplomatic Papers, 1940, General, Volume I, Document 359. <https://digitalarchive.wilsoncenter.org/document/145087>.
- ³⁰ "Welles Declaration, Department of State Press Release, 'Statement by the Acting Secretary of State, the Honorable Sumner Welles,'" 23 July 1940, History and Public Policy Program Digital Archive, NARA, RG 59, <https://digitalarchive.wilsoncenter.org/document/144967>
- ³¹ For this diplomatic activity, see Jānis Taurens (2003), *Baltijas valsts statusa problēma PSRS un Rietumu sabiedroto attiecības (1940.g.–1942.g. maijs) in Latvijas vēsture*, 2, 50, pp. 62–75; Antonijs Zunda (2005), *Baltijas jautājums Otrā pasaules kara gados (1940–1945) in Latvijas vēsture*, 2 (58), pp 72–81; Pauls Raudseps (2008), "The Long Vigil: US–Latvian Relations, 1940–1991" and Daunis Auers (2008), "Salmon, Rissoles, and Smoked Eel: The Latvian Legation in the Cold War" in Daunis Auers (2008), ed. *Latvia and the USA: From Captive Nation to Strategic Partner*. Riga: University of Latvia, pp. 33–50 and 51–60 respectively; Arnolds Spekke (2000) *Arnolds Spekke atmiņu brīži: ainas, epizodes, silueti*, Riga: Jumava.
- ³² Fairly quickly this policy became an "irritant" to Soviet relations, as the US would object to any official visit including a stop in a Baltic Republic or would refuse to meet with representatives from Baltic Soviet Socialist governments – sometimes, they would meet with them through the guise of their All-Union credentials. By 1966, the State Department concluded that this stance was based on policy decisions, not precedent or international law. They assumed that they could wait out the last years (anticipating this would be no more than 15 years) of these "men fairly advanced in years" and cut Baltic diplomatic representation while still, possibly, holding to an abstract principle of non-recognition. See: "Department of State, Memorandum, 'Termination of Baltic State Representation Supported from Blocked Baltic Assets Held in the United States,'" 10 May 1966, History and Public Policy Program Digital Archive, NARA, RG 59, Bureau of European Affairs, Office of Eastern European Affairs, Records Relating to the Baltic States, 1962-1967, Legislative and Legal Affairs Bills Resolutions. <https://digitalarchive.wilsoncenter.org/document/144960>

Reflections on personal and political ties between the US and Latvia

Kārlis Streips

Early in 1989, I was working as a television news reporter in Topeka, Kansas, when one morning the phone rang at my house. It was my mother saying that she had been offered a job at the Soviet Latvian university to teach English, but she couldn't accept the offer, because she had a project to complete in America. To this very day I don't know what made me say what I said, but I said "OK, you stay, and I'll go instead". As soon as I hung up the phone I thought to myself oh, lord, what have I done? I'm a journalist, not an English teacher. The lord smiled down upon me, though. It so happened that the local university in Topeka, Washburn, was offering a class in teaching English as a second language that very summer. I took the course, bought a bunch of textbooks, and on 1 September 1989, I became an English language instructor at the university in Riga.

I was one of maybe dozen or so American-Latvians who were living in Latvia at that time. During the Soviet era, visits from abroad were very carefully monitored by the authorities. Everyone was required to stay at the same hotel so that the KGB could keep an eye on them. There were organized tours, and people were not allowed to roam around on their own. By 1989, when I fetched up on Latvia's shores, the "singing revolution" had been proceeding for some time. In addition to teaching at the university, I was an active volunteer at the Latvian People's Front, which was the umbrella organization for pro-independence efforts. Among other things, on the day when the Soviet Latvian parliament adopted its declaration of independence – 4 May 1990 – I was in the building, in a room right next to the plenary hall, translating the proceedings to the fairly large swarm of foreign journalists who had gathered to witness the event.

The issue was whether the People's Front had managed to elect a sufficient number of people to guarantee the two-thirds vote that would be needed to amend the Soviet Latvian Constitution. Looking back, I am quite sure that the leaders of the faction would not have put the matter to a vote if they had not been certain of the outcome, but we did not think of that on the day, and as the vote drew closer and closer to the necessary 134, I kept staring more and more intensively at the carpet, because I knew that if I met anybody else's eyes, I would start to cry for the triumph of it all. After the vote passed, we all gathered in the plenary hall to sing Latvia's national anthem. Others sang. I wept.

The early years

At the end of the academic year, I returned to America and entered a master's degree program at the University of Maryland, thinking about becoming a journalism professor. I worked part-time for the American Latvian Association, and in January 1991, when the Soviet Union went through its final paroxysms of death, with 14 people killed in Vilnius and five in Riga, the part-time job became a full-time job, and to make a long story short, in the autumn of 1991, a week after the failed coup in Moscow that had finally brought unquestioned and internationally recognized independence to my fatherland, I arrived back in Latvia, and I have been here ever since.

Latvia's diplomatic relations with the United States began slowly after the country declared independence on 18 November 1918. Despite President Woodrow Wilson's "14 Points", which included sovereignty for new nations, the fact is that the winners of World War I were rather desperately hoping that bolshevism would prove to be a short-lived phenomenon and that something more palatable might emerge in the wake of Russia's civil war. In the end, *de iure* recognition of Latvia's independence came from the Triple Entente only on 26 January 1921, more than two years after the declaration of independence. Here I will add parenthetically that after the collapse of the Soviet Union, the United States was one of the world's powers to hesitate for the longest period of time before granting recognition to the newly re-independent Baltic States. I believe that was because President George H.W. Bush felt that he could not betray Mikhail

Gorbachev, and again, the hope was that perhaps a more democratic version of the Soviet Union might emerge from the wreckage. America granted full diplomatic recognition to Latvia on 2 September 1991, when the Russian Federation had done so on 24 August.

During Latvia's first period of independence, six men served in Riga as "envoy extraordinary and minister plenipotentiary", starting with political appointee Frederick W.B. Coleman, who was followed by five career Foreign Service officers. The same could not be said in the other direction. Latvia opened an embassy in Washington in 1922 and closed it again in May 1923, transferring diplomatic functions to the consulate in New York. The embassy was reestablished in 1925 and then closed again in 1927 because of a lack of money. Finally, the embassy was reopened in 1935, and it remained open until the Soviet invasion of Latvia.

One note of interest is that in 1939, a university student named John Fitzgerald Kennedy spent some time in Riga while on a tour of Europe. He is said to have remarked that Latvians were a people who were "forever reaching upward"¹.

The Soviet invasion of June 1941 brought America's diplomatic presence to an end. In Washington, Undersecretary of State Sumner Welles issued a declaration one day after the invasion to say that the United States did not recognize the occupation. America maintained this policy throughout the Cold War, and this, among other things, allowed Latvia to maintain a diplomatic presence in Washington throughout that period, albeit not with the status that would be accorded to a diplomat from a free country. The last *chargé d'affaires*, Anatols Dinbergs, held the office so long that he became the dean of the foreign diplomatic corps in DC.

Travel to the Soviet Union was very limited during the first few decades of the Soviet occupation. Latvians in the United States and other countries where they had settled got busy in the early 1950s setting up church congregations, Latvian Saturday and Sunday schools, and social and political organizations. The American Latvian Association was established in 1951, and a global organization, the World Federation of Free Latvians, followed in 1956. Both organizations had as their primary function efforts to restore Latvia's independence, and to that end, a great deal of lobbying was done. In 1957, a delegation from the US Embassy in Moscow visited a collective farm

in occupied Latvia. Latvians in Washington screamed, and that was the last time an American diplomat set foot in Latvia until 1986, when the new Soviet regime of Mikhail Gorbachev permitted a video bridge between his country and the United States in what became known as the Chautauqua Conference. A group of Latvians from America came to the Latvian city of Jurmala to take part, as did an advisor to US President Ronald Reagan, Jack Matlock. He surprised everyone by reading out a statement in clear Latvian to reiterate the fact that the United States did not recognize the Soviet occupation.

Gradually the Soviet Union started to allow its citizens to visit Western countries if they had family members there, but usually only the husband was allowed to go while the wife was kept in the Soviet Union as an insurance policy to make sure that he came back. Soviet Latvia had what was known as the Cultural Contacts Committee, which was charged with maintaining relations with Latvians in the West as much as possible. Soviet Latvian cinematic films were distributed, causing great disputes among American Latvians, many of whom felt that any product from the Soviet Union would inevitably be tainted by propaganda. One such film, titled *Under the Shadow of Death*, was about a group of ice fishermen whose floe broke away from the coast and into the Bay of Riga. The film was based on a late 19th-century novella by the author Rudolfs Blaumanis. In one instance, my maternal grandfather drove his youngest daughter to the cinema where one of these films was being shown, and while she was inside watching the movie, he remained in his car outside. Voldemars Korsts was his name, and he was active in the ethnic wing of the Republican Party. He took me, as his eldest grandson, along with him to some of these proceedings, including the second inauguration of President Richard Nixon.

Latvians in America

Latvians generally speaking were supporters of the Republican Party because of the notion that President Franklin Roosevelt, a Democrat, had sold their country up the river to Stalin at the Yalta Conference. My grandfather passed away before learning that his grandson grew up into a very liberal man who would not vote for a Republican on a

bet. The first sea change among Latvians in America was the 1992 presidential election; many Latvians resented the aforementioned hesitation on the part of the elder President Bush to recognize Latvia's restored independence. Many Latvians voted for President Bill Clinton instead. In 1994, he, in turn, was instrumental in persuading Russian President Boris Yeltsin to withdraw his troops from Latvia and the other Baltic States. President Clinton came to Riga to deliver a speech, and I had the great honor of serving as his translator.

President Clinton's successor, George W. Bush, visited Latvia twice. In May 2005, he stopped by on his way to Moscow, where the regime was hosting a massive military parade in honor of the 60th anniversary of what Moscow considers to be its victory in the "Great War of the Fatherland", but which for Latvia (and not only Latvia) meant half a century of totalitarian occupation. President Bush's stop in Latvia on his way to Moscow was at least in part meant as a signal to the Kremlin that the independence of Latvia and the Baltic States was not to be questioned. The next year, 2006, Riga hosted a NATO summit meeting for the first time. President Bush led the American delegation to the gathering.

Since the restoration of Latvia's independence, there have been ten US ambassadors to the country – eight career Foreign Service officers and two political appointees. The first ambassador was career FSO Ints Silins, who was born in Riga in 1942 and grew up in the United States. The US Department of State usually frowns on appointing natives of a country to the ambassadorship, fearing that there might be split loyalties, but an exception was made this time, because Silins was toward the end of his diplomatic career, and serving in his native country was a special honor. Indeed, Latvia's first ambassador to the United States was Ojars Kalnins, who grew up in Chicago. The current US ambassador to Latvia is John Carwile, who is a career Foreign Service officer.

As to people-to-people connections, the first thing to note is that the US Peace Corps had a presence in Latvia from 1992 until 2002. During that decade, 189 volunteers came to Latvia, mostly to teach English, but also to provide consultations to business development centers and non-governmental organizations. When the Peace Corps finished its mission, it declared that Latvia no longer needed its assistance because it had become a fully democratic country with a free market economy.

Another American organization with a presence in Latvia was the Soros Foundation. George Soros is a Hungarian-born American billionaire who began his substantial aid program to Eastern Europe in 1984, when he signed an agreement between his foundation in New York and the Hungarian Academy of Sciences. The foundation opened up shop in Latvia in January 1992. I myself was director of the Soros Foundation Latvia media program, which helped to finance various media-related projects, as well as enabled journalists from Latvia to travel to the United States for training and an exchange of experiences. One specific program for the foundation involved young people who had completed the 10th grade here in Latvia. The foundation partnered with schools all across the United States to accept these young people for six months or a year of studies in an American setting. One young man called us up a week after he left weeping and claiming that he was lonely and homesick. We told him to stick it out, and when he returned to Latvia a year later, he was very much a different person – shy before the trip, bold after, and prepared to go on with his life.

In the other direction, the American Latvian Association for a number of years now has had a program called “Sveika, Latvija!” or “Hello, Latvia”, as well as one called “Heritage Latvia”. The former is meant for young people aged 13–15 who speak and understand Latvian. The latter is for young people aged 13–16 who do not. There are usually two trips each year, one in June, the other in August. During the Covid-19 pandemic, of course, the process ground to a halt, but the ALA is currently promoting the trips for 2023, so now they are back on track. The trips offer young Latvians or youngsters of Latvian origin the chance to meet their peers and to enjoy a broad program with all kinds of activities and visits to various locations. One of my nephews took part in the “Sveika, Latvija!” program seven or eight years ago, and he told me that the very first place he and the others were taken upon arriving in Latvia was the Latvian Occupation Museum, which tells the story of the half-century of Soviet occupation and the repressions which went with it. Not exactly the most cheerful start to a visit to the fatherland, but that is what was arranged that year.

People-to-people contacts between Latvia and the United States also involve the various Latvian Saturday, Sunday and summer schools that are there. The cohort of Latvians who left their homeland toward the end of World War II included many members of the intelligentsia

and the arts. At so-called displaced persons camps in Germany, Latvians established newspapers and magazines, theatrical troupes, opera companies, and schools for the kids. At that time, the hope remained alive that the allies of World War II, having defeated Hitler, would now come to the aid of Latvia, which had been occupied by the Soviet Union in spite of a peace treaty that was signed after World War I in which the nascent USSR promised to waive all claims to Latvia's territory "for time eternal". Time eternal proved to be less than 20 years.

During the course of the 1950s, Latvians moved all over the world, and as the old and jokey saying goes: wherever there were two émigré Latvians, there would be at least three émigré Latvian Lutheran churches. As it dawned upon Latvians that their homeland would not regain its freedom anytime soon, they set up communities of their own. I myself attended Latvian Saturday and Sunday school in Chicago, where I grew up, a six-week summer high school in Michigan, and, eventually, a year at a high school in Munster, West Germany, which was the only school outside of occupied Latvia at which classes were taught in Latvian. After the restoration of Latvia's independence, the country's Ministry of Education and other related institutions could provide consultations and various materials to Latvian schools in other parts of the world, including the United States. Because of Russification during the Soviet period, teachers in Latvia were proficient at teaching Latvian to non-Latvians. Teaching Latvian to American-Latvian children, as a result of this, was a tried and practiced process. I will mention that my mother, Liga Korsts Streips, wrote a textbook called *Easy way to Latvian* meant for Americans who had the fortune (or misfortune) to pair up with a Latvian and who wanted to learn their new partner's mother tongue. The book came with tape cassettes which were recorded by the Latvian theatrical troupe in Boston.

Once Soviet leader Mikhail Gorbachev proclaimed his policies of *glasnost* and *perestroika*, which people in the Baltic republics took as a signal to start standing up for themselves, the first careful contacts began to emerge between Latvians in the United States and folks in the homeland. In the first Saeima (parliament) elected after the restoration of Latvia's independence, there were a dozen American-Latvians who were elected to one of the 100 seats. The election was held in June 1993, and one of the first tasks for the newly empaneled parliament

was to elect Latvia's new president. Two of the three candidates who were nominated by political parties with seats in the Saeima were American-Latvians, though both were originally born in Latvia. Aivars Jerumanis was nominated by the Christian Democrats, while Gunars Meierovics was the candidate for the Latvia's Way party. Meierovics at the time was chairman of the World Federation of Free Latvians, which was the global umbrella organization for pro-independence efforts. Meierovics was also the son of a truly legendary politician from the first period of Latvian independence, Zigfrids Meierovics, who had served as the new country's foreign minister most ably, not least in terms of winning *de iure* recognition for Latvia. Both Meierovics the younger and Jerumanis were beaten by Guntis Ulmanis, who was the nephew once removed of Karlis Ulmanis, who was a leading figure in Latvian politics during the first period of independence, serving as a fairly benign dictator after staging an anti-parliamentarian coup in 1934.

Americans in Latvia

A Canadian Latvian, Vaira Vike-Freiberga, was elected to the presidency after Ulmanis served two terms. She was elected in 1999 and proved to be so popular that in advance of her reelection in 2003, almost all parties running in the Saeima election in 2002 promised that if elected, they would certainly vote for Vike-Freiberga's second term. When the time came, the vote was 88 in favor and only six opposed.

That said, Latvia's current prime minister is an American-Latvian. Krisjanis Karins grew up in Delaware and holds a doctorate in linguistics. He moved to Latvia in 1996 and opened a company which sold ice cubes in plastic bags – "Lacu ledus". In 2002, Karins was elected to parliament, where he remained until 2009, when he won the first of two terms in the European Parliament. After the parliamentary election in Latvia in 2018, it took three months to find a new prime minister, with two candidates being nominated by the president of Latvia and two candidates failing to come up with a coalition. Karins resigned from the European Parliament, and the coalition that he put together has been the only one in Latvian history to have remained in office from one national election to the next one. The most recent parliamentary election was in October this year, and as of this writing,

Karins is well on his way toward assembling a new governing coalition. One newly elected member of the Saeima this year is Irma Kalnina. Her husband was the aforementioned first Latvian ambassador to the United States, Ojars Kalnins. He became a member of Latvia's parliament in 2010 and remained there until 14 October 2021, when he passed away. His widow decided to run in his place and won a seat on 1 October of this year.

The English language has very much had its presence here, in Latvia, particularly in recent years. It has long been true that ethnic Russians in Latvia often choose to learn English instead of Latvian, feeling (not entirely without reason) that English would be a far more useful language than a small Baltic language on the coast of the Baltic Sea. More recently, youngsters who have gorged on entertainment in English, most particularly from the United States, have begun to converse with one another in English even though they have perfectly good Latvian skills. I'm not sure what precisely to think about that, but there it is.

One other element of America and Latvia bears mentioning. I have never been a particularly athletic person, but I do enjoy watching sports on television, and in particular I have all my life been a fan of the often hapless, but always lovable Chicago Cubs baseball team. On the morning in November 2016, when I woke up after a restless night because I knew that while I was sleeping, the deciding seventh game was being played against the Cleveland Indians, I brewed myself a cup of tea, switched on my computer, when to the website of *The Guardian* in the UK, of all places, and saw that the Cubs had won the final game by a score of 8–7. It was the first time the Cubs had won the World Series since 1908, so I hope that readers can imagine what an exciting moment that was for me. I leapt about the room for a couple of minutes and wept a few tears. I relate this because back in the 2000s, some young men at the University of Latvia put together a baseball team of their own. In due course, so did students at other universities, and for a short while there was even a whole baseball league in Latvia. There is still a Latvian Baseball Federation today. For a couple of years back then, the University of Latvia team staged a charity game sometime during the summer, with the students forming one team, and whoever from the United States could be rounded up forming the other one. This latter group always included security guards and other

staffers from the American Embassy in Riga. Twice I was asked to sit up in the stands and call the game, not least by explaining to Latvians what exactly they were seeing on the field. The scores tended to be something like 24:13 or 36:9. The students knew how to hit, but they were very poor on defense.

And one more thing from the culinary world. Early in my time in Latvia, perhaps in 1992 or 1993, I was surprised to spot some Philadelphia cream cheese at a shop in Riga. I immediately bought a couple of containers for myself. There were no bagels to be had at that time, but that was OK. Thinking that perhaps someone had imported a container with some cream cheese in it and that this might therefore be a one-off, I called a local culinary magazine to say hey, there's this new stuff here from America, would you like me to write about it and tell people what to do with it? Well, long story short, I made a cheesecake and some of my award-winning chicken liver pate and took it down to the studio, where it was made pretty and photographed, and that was that. For a year or so I wrote for them once a month about American foodstuffs that had made an appearance on these shores. There were no bagels when Philadelphia cream cheese first appeared, but a bagel shop was opened up in Riga in 2015 and has been doing great business, and Philadelphia cream cheese has become so ubiquitous in Latvia that it is known as "Filadelfijas siers" or simply "Philadelphia Cheese". I do believe that I can be proud of myself for having introduced it to my fellow Latvians.

Conclusions

In some ways I still remain more an American than a Latvian. I am an absolute patriot of Latvia and equally a patriot of the United States. On those very, very rare occasions upon which a Latvian team has gone up against an American one (this tends to happen most often in the world of ice hockey), I have split my enthusiasm 50-50. I mostly think and pray in English. I visit my sisters in Chicago every summer for a couple of weeks, though two years went missing due to the Covid-19 pandemic. I keep an address in the United States for credit card purposes and also so that I can cast absentee ballots in American elections. This year I have already sent in my absentee ballot for the midterms. I am writing

this text just two days before the election, which in many ways will determine whether the United States will continue to be a democracy which can set an example to others. But America has been a good friend to this little country in Eastern Europe, not least in terms of being a staunch supporter back in the day for its admission to the NATO Alliance. In that sense, I can only say that I am thankful.

ENDNOTES

¹ Anon. 20.07.2001. *Laikraksts "Diena"*.

Latvian-American people-to-people relations from the American perspective

Alise Krapāne

With Latvians having reached North America already in the 17th century and having bought acres of land on the continent in the 18th century, Latvian–American people-to-people relations can be traced back long before the two countries were established. Due to several emigration waves from Latvia to the US, strong family ties have been established between the people of both nations. Of nearly 100,000 people who report full or partial Latvian ancestry in the US, the majority are the diaspora community formed by World War II refugees and their second, third and fourth generation descendants. Over the decades, these people have been a major bridge in Latvian-American relations – both by contributing to their new homeland with their careers and culture and by being relentless supporters of Latvia’s effort to break free from the Soviet occupation and live in a democratic, safe and prosperous country. Since Latvia restored its independence, people-to-people relations between the two nations have been greatly enhanced by tourism, educational, professional and cultural exchanges, sports, and the work of NGOs. Over the years, people of Latvian origin have enriched America with their talent and achievements in different fields: aeronautics, holography, energy storage systems. They have contributed a monumental legacy in American art, architecture and infrastructure and reached the highest achievements in sports. As world-class artists and musicians, they have starred on American stages. And there are even some iconic inventions, such as blue jeans and Pringles chips, that are commonly associated with America that have come about thanks to people of Latvian origin, and these serve as symbols of people-to-people relations.

The aim of this article is to look at the history and diversity of Latvian–American people-to-people relations, focusing on the

American perspective – reviewing the different emigration waves, as well as the work of the organized Latvian diaspora community in the US in supporting Latvia's aspirations for freedom and security. The notable contribution of people of Latvian origin to America will be reviewed, as well as the current situation, and possible ways to support the relations in future.

Emigration waves and the Latvian diaspora community in the US

While sustained emigration from Latvia to the US began in the middle of the 19th century, a major milestone in Latvian-American people-to-people relations may be traced back a century earlier, to 1754, when Janis Steinhauers,¹ an entrepreneur from Riga, who along with two other investors from Latvia bought land in the modern state of North Carolina. They gifted it to their church to start a community – a safe haven for persecuted Moravian Christians.² Steinhauers bought more than 16 square kilometers (4,000 acres) of land, being the biggest donor in the land purchase of about 400 square kilometers (100,000 acres), thus laying the foundations for Winston-Salem,³ which is currently the fifth most populous city in North Carolina.⁴

Emigration from Latvia to the US can be divided in three waves: the first was before the establishment of the Latvian state in 1918, second and largest was due to World War II, and the third, relatively small, was after Latvia regained its freedom in 1991. The main reasons for emigration to the US in the late 19th and early 20th centuries were for economic reasons, to avoid being drafted into the Tsarist army, or to escape political repression following the Russian Revolution of 1905. Fleeing growing anti-Semitism in the Russian Empire, a considerable number of Jewish refugees entered the territory Latvia, at that time included in Russia, and many of them moved to the US.⁵ The first Latvian communities developed in Boston, New York and Philadelphia, then also in the Midwest and West – in Cleveland, Chicago, and San Francisco, with the largest Latvian rural colony developed in Lincoln. The first organizations, congregations, schools, and clubs were established, some of which continue to operate today in Boston and Philadelphia.⁶

The interwar period and major emigration after World War II

As the Republic of Latvia was established in November 1918, it was American non-governmental organizations, such as the American Relief Administration, the American Red Cross and the Young Men's Christian Association, that for several years provided food and medication to the war-devastated population of Latvia, thus ensuring invaluable help and strengthening ties between the two nations. American cultural influence was introduced in the newly established state at the governing level as well – among the political emigrants of 1905 was Karlis Ulmanis, future first prime minister and later president of Latvia. Having spent eight years in Nebraska, he not only promoted a pro-American foreign policy, but also adopted American cultural institutions, such as 4-H (Mazpulki) and state fairs (Plaujas svetki), emphasizing the cultural affinities between Latvians and Americans.⁷

After the short-lived independence of the fast-developing country, the turmoil of World War II made hundreds of thousands of Latvians leave their home. Having fled Soviet-occupied Latvia for Germany in 1944, these refugees lived in displaced persons camps for several years. The United States opened its doors to Baltic refugees in 1948, bypassing the usual quota system. By 1952, according to various sources, around 38,000–45,000 Latvians immigrated to the US from Germany, becoming the largest Latvian community abroad.⁸ Within a few years, they managed to establish churches, supplementary schools, credit unions, Latvian-language publishers, hundreds of choirs and folk-dance groups, and political organizations. This community was mainly composed of the former professional class and intelligentsia of Latvia – the group that was targeted by the Soviet regime – but in America they mostly had to start from nothing. However, through hard work and an “almost obsessive drive to educate their children”,⁹ they managed to build new and prosperous lives¹⁰. While dreaming of a return to a free Latvia, with time they were able to create a balance between their Latvian identity and assimilation into their new homeland, adopting a dual identity: they became proud Latvians and proud Americans.

American-Latvian diaspora organizations and political activities

In 1951, the American Latvian Association (ALA) was founded to unite the numerous local organizations throughout the US with the common goals of maintaining the Latvian language and culture and reminding the world about the occupation of Latvia. In 1952, a spinoff organization, the American Latvian Youth Association (ALJA), was created with a focus on the younger generation. Holding onto the US non-recognition policy and Latvia's special political status, ALA, as a voice representing the Latvian-American diaspora, reached out to government representatives, organizing letter campaigns and political demonstrations that early on were acknowledged by senators, congressmen and even the president.¹¹ With time, after gaining political experience and being joined by the energetic and better-adapted younger generation, the ALA's activities grew in confidence. To gain the attention of the press, demonstrations became more creative: burning the Soviet flag or chaining themselves to the Soviet embassy with their feet encased in 400-pound blocks of cement to symbolize the entrapped spirits of political prisoners in the Soviet Union.¹² Churches were often the center of Latvian-American communities, and pastors, such as the New York-based Richards Zarins, played an important role in maintaining, over the decades, faith and hope for the restoration of Latvia's independence.¹³ Inspired by how the people of faith led the Civil Rights Movement in the US, pastor Maris Kirsons was among the leaders of Latvian activism. His protest demonstration of standing on a Soviet flag with blood spilling on it from his veins "to protest against the Soviet genocide in Latvia and the other Baltic States" made headlines in the major US press outlets and around the world. The White House even reached out to him for advice.¹⁴

In efforts to coordinate their activities, Baltic emigrees established joint organizations: in 1961, the Joint Baltic American National Committee (JBANC), a Washington-based lobby organization, was formed to maintain contacts with American policymakers and the US press with a unified voice. In 1966, the Baltic Appeal to the United Nations (BATUN) was formed to reach out to the world governments about the illegal occupation and Baltic aspirations for freedom, and in 1968, Baltic American scholars established the Association for the Advancement of Baltic Studies (AABS). In the 1980s, political activities increased

with the establishment of the Baltic American Freedom League on the West Coast and individual direct lobbying activities across the US. Their activities didn't go unnoticed: in 1990, President Bush met with representatives of the major Baltic-American organizations.

Developments after the restoration of Latvia's independence in 1991

After seeing the fulfillment of their dream of an independent Latvia in 1991, the Latvian-American community became supporters of Latvia's further steps in ensuring its security and prosperity – most importantly, ensuring Latvia's admission to NATO in 2004. Parallel to that, efforts were directed at strengthening cultural ties, as well as contributing to the development of the Latvian economy. Some of the leaders, activists and professionals of the Latvian-American community, among them Uldis Grava, Ojars Kalnins, Valdis Pavlovskis, Olgerts Pavlovskis, Peteris Karlis Elferts, Vita Terauda, Andris Zalmanis, Krisjanis Karins and others, moved to Latvia and took up positions in the new government. Although the number of repatriations was not high, they played a very important role in the Westernization of Latvia by promoting reforms and bringing it closer to membership in the European Union and NATO.¹⁵ Restored independence opened many more channels for interactions between people – extended families reconnecting, the adoption of Latvian children in the US, travel opportunities (visa-free since 2008), and diverse study and professional exchanges, both US government-sponsored and privately supported. The Latvian-American community continues to offer many privately funded scholarships for Latvian students and scholars in different fields, both for studies in Latvia, and in the US.¹⁶

Outstanding contribution of Latvian people to the US

The emigration waves have brought a lot of talent to the US. Many Latvian emigrees have contributed to their new homeland with their careers, holding responsible positions in business, academia, the government, serving in the US armed forces, and even winning Miss USA title (Marite

Ozers in 1963). There are also many world-renowned professionals whose talent and accomplishments have greatly benefited the people of America and beyond. They immigrated, were born in the US to Latvian parents, or their career paths led them to the US after 1991.

The first emigration wave

The first emigration wave brought many outstanding Latvian-Jewish people to the US – among them Jacob Davis, Leon Moisseiff, Mark Rothko, and Joseph Hirshhorn. *Leon Solomon Moisseiff* (1872–1943) was a leading suspension bridge engineer in the United States in the 1920s and 1930s. He designed the Manhattan Bridge of New York City and co-designed other monumental bridges, such as the Golden Gate Bridge of San Francisco, the George Washington Bridge of New York City, and the Benjamin Franklin Bridge connecting Pennsylvania and New Jersey. Having started his education in civil engineering in Riga, Moisseiff emigrated to the US with his family in 1891.

Mark Rothko (1903–1970), one of the greatest painters of the 20th century and a central figure in the post-war painting scene in the USA, was born in the present-day Latvian city of Daugavpils. Mark Rothko is closely identified with the so-called New York school of the abstract expressionism movement. According to his biographer, he never stopped “feeling his inextricable internal connection with his birthplace even being the rest of his life very far from it”.¹⁷

The Hirshhorn Museum’s founding donor, *Joseph H. Hirshhorn* (1899–1981) immigrated to New York with his widowed mother and 12 siblings. In time, he became a financier, philanthropist, and collector of modern and contemporary art. He gifted to the nation his collection of more than 12,000 pieces of artwork: “It is an honor to have given my art collection to the people of the United States as a small repayment for what this nation has done for me and others like me who arrived here as immigrants”. The museum and sculpture garden to his name in Washington, DC has been open to the public since 1974 and is considered one of the country’s most visible venues for the display of modern and contemporary art.¹⁸

Tailor *Jacob W. Davis* (1831–1908), born Jakobs Jufess, emigrated to the US in 1854. There, he invented and first produced jeans, combining tough denim with copper rivet reinforcements. Later, he partnered

with Levi Strauss to mass-produce them. As jeans were sold under Levi's name, people began to assume that he invented them. Jacob Davis's actual contribution was rediscovered at the National Archives in 1974, along with a transcript of a federal court case from 1874. There, defending their patent, Jacob Davis testifies to how he came to make the first pair of jeans, his trouble obtaining a patent, and how he partnered with Strauss.¹⁹

John D. Akerman (Janis Akermanis, 1897–1972) was a Latvian aircraft designer who contributed significantly to the development of American aeronautics and astronautics, both through his innovations and by establishing and heading the first Department of Aeronautical Engineering in the US. He did the engineering redesign of the Mohawk airplane, designed and built a tailless aircraft, developed airplane oxygen systems, collaborated with Boeing on the B-29 Superfortress aircraft, and developed pressure suits designed to withstand high altitudes.²⁰

A unique and enigmatic legacy has been left by *Ed Leedskalnin* (Edwards Liedskalnins, 1887–1951),²¹ who single-handedly and secretly built the Coral Castle in Florida – an astonishing masterpiece, a sculpture garden in stone, that has been added to the National Register of Historic Places. In 28 years, Ed carved over 1,100 tons of coral rock, and his unknown process and methods continue to baffle engineers and scientists to this day. Ed would only say that he knew “the secret of the pyramids”. Ed came from a family of stonemasons in Latvia and emigrated to the US in 1912 after his young bride, his “Sweet Sixteen”, had called off their wedding. Ed dedicated the Coral Castle to her. His life story has inspired many authors, performers and songwriters, most famously Billy Idol, who wrote the song “Sweet Sixteen”.

The post-war emigration wave

Among the first-generation emigres to the US was the renowned modernist architect *Gunnar Birkerts* (Gunars Birkerts, 1925–2017). He has left a monumental legacy in both the US and Latvia. Throughout his career, Birkerts delivered almost 300 designs, among them the Federal Reserve Bank of Minneapolis, the Corning Museum of Glass, Marquette Plaza in Minneapolis, and the Kemper Museum of Contemporary Art in

Kansas City. His final and possibly greatest masterpiece is the award-winning National Library of Latvia in Riga, also referred to as the Castle of Light, which has become an iconic symbol of present-day Latvia.

Vija Celmins (Vija Celmina), born in 1938 in Riga, is a world-famous Latvian-American visual artist best known for her photo-realistic paintings and drawings of natural environments and elements such as ocean waves, star-studded night skies, clouds, and closeups of rocks. Since 1965, she has been the subject of over 40 solo exhibitions, hundreds of group exhibitions, and major retrospectives at the finest art museums across the US, as well as in Riga and around the world.

Juris Upatnieks, born 1936 in Riga, is a Latvian-American physicist and inventor and pioneer in the field of holography. Upatnieks is the holder or co-holder of 20 US patents in the fields of holography and coherent radiation, including holographic gunsight. His most well-known achievement was the 1964 demonstration with Emmet N. Leith of the first three-dimensional hologram in the US, enabling high-quality images of 3D objects. This invention was a major breakthrough in holography after a long standstill that had lasted since the invention of holography in 1948. For the invention of off-axis holography, Juris Upatnieks and Emmeth Leith were recommended for the Nobel Prize in physics.

Riga-born *Alexander L. Liepa* (Aleksandrs Liepa, 1919–1999), was the inventor of Pringles potato chips. Working under Procter & Gamble in the mid-1960s, he engineered the distinctive Pringles flavor that hasn't changed up to today. Liepa also created and patented a device to mass-produce the chips. He is the owner or co-owner of more than 100 patents.²²

Among the outstanding second-generation Latvian Americans is *Esther Sans Takeuchi* (Estere Sans), born 1953, a scientist working on energy storage systems and power sources for biomedical devices. Sans Takeuchi has been primarily recognized for her innovation of implantable cardiac defibrillators that millions of people around the world rely on. In 1987, she invented a battery that works for five years instead of the previous one year. This eliminates the need for patients with implants to undergo major surgery every year to replace the battery of the devices. She is recognized as one of the world's leading energy storage researchers and also one of the most successful US woman inventors, with around 150 US and 40 European patents and dozens of prestigious awards both in the US and Europe.

Lolita Ritmanis (Lolita Ritmane) is an Emmy Award-winning (10-time Emmy Award nominated) composer and 2022 Grammy Award-winning music producer. Ritmane is well-known both for her concert works (choral, vocal instrumental, symphonic and other genres) and film and television scores, which include animated series such as *Batman*, *Superman*, and *The Justice League*. In 2021, her symphonic and choral score for the Latvian feature film *Blizzard of Souls* (*Dveslu putenis*) was Oscar shortlisted for the Academy Award.

Laila Robins (Laila Robina, 1959) is a Latvian-American stage, film and television actress (*Planes, Trains & Automobiles*, *In Treatment*, *Bored to Death*, *Homeland*, *Walking Dead*, *The Sopranos*, *Sex and the City*). *Aldis I. Berzins* (born 1956) is a Latvian-American former volleyball player who was a member of the US Men's National Team that won the gold medal at the 1984 Olympics – the nation's first gold medal in men's volleyball. In 1985, Berzins won the World Cup as part of the national team. *Edmund Viesturs* (born 1959) is a high-altitude mountaineer, the only American to have climbed all 14 of the world's eight-thousander mountain peaks, and only the fifth person to do so without using supplemental oxygen. He has summited peaks of over 8,000 meters on 21 occasions, including Mount Everest seven times.

Emigration during the Soviet occupation

Although emigration during the Soviet occupation was almost impossible, there are some who managed to escape to pursue artistic, professional and personal freedoms. Among them are Mikhail Baryshnikov and Raimonds Dombrovskis. *Mikhail Baryshnikov* (1948), considered one of the greatest dancers in modern history, was born in Riga to Russian parents. After having commenced a spectacular career in the USSR, Baryshnikov defected to Canada in 1974, and later moved to the US, where he made a spectacular career with the New York City Ballet and American Ballet Theatre and now runs the Baryshnikov Arts Center in New York. In 2016, he cooperated with the renowned Latvian theatre director Alvis Hermanis, creating the Brodsky/Baryshnikov project that was showcased in Latvia and New York, creating another cultural link between the two nations. Baryshnikov has become an outspoken critic of Russia's invasion of Ukraine and a supporter of Ukrainian refugees. In an open letter to Putin, he wrote that the

“Russian world, the world of fear [...] will die from its own horror unless it wakes up”.²³

Raimonds Dombrovskis (1962) is a Latvia-born biathlete who emigrated to the US due to troubles with the KGB. He is a seven-time US biathlon champion and was included in Team USA at the 1988 Olympic Games, but he couldn't participate due to a sudden health condition. After recovering, Raimonds embarked on a 90-day roller-ski trip of 4,200 miles (6,759 km) across the US, from Canada to Mexico. He used his trip as a way to protest against the Soviet regime and to tell everyone he met about Latvia and its aspirations for freedom. After 26 years, Raimonds repeated the trip, and his story is told in the 2017 documentary *A to B Rollerski*.

Emigration since Latvia regained its independence

Many Latvian sportsmen have made great careers in the US. Among them are 26 National Hockey League (NHL) players, such as goaltender and two-time NHL All-Star champion *Arturs Irbe* (1967), who played for the San Jose Sharks, Dallas Stars, Vancouver Canucks and Carolina Hurricanes and served as a coach with the Washington Capitals and the Buffalo Sabres. *Sandis Ozolinsh* (1972), a player and coach, has played for San Jose Sharks, Colorado Avalanche, Carolina Hurricanes, Florida Panthers, Mighty Ducks of Anaheim and New York Rangers. *Karlis Skrastins* (1974) played for the Nashville Predators, Colorado Avalanche, Florida Panthers, and Dallas Stars. And *Zemgus Girgensons* (1994), the most successful among the current players, is alternate captain for the Buffalo Sabres. *Andris Biedrins* (1986) is the first National Basketball Association (NBA) star from Latvia and has played for the Golden State Warriors and Utah Jazz. *Kristaps Porzingis* (1995), probably the most famous Latvian in the US today, plays for the Washington Wizards, and previously for the Dallas Mavericks. *Davis Bertans* (1992), a player for the Dallas Mavericks, also represents the Latvian national team and has played for the San Antonio Spurs and Washington Wizards.

Since 2000, many world-class Latvian classical performers have starred in the Metropolitan Opera: bass baritone *Egils Silins*, soprano *Maija Kovalevska*, and one of the world's top mezzo sopranos *Elina Garanca*, as well as tenor *Aleksandrs Antonenko*, soprano *Marina Rebeka*, and one of the most sought-after sopranos in today's international

scene, *Kristine Opolais*. A regular guest at the Metropolitan Opera is Latvian conductor *Andris Nelsons*, one of today's most renowned conductors. He has served as the Boston Symphony orchestra music director since 2015, and is a three-time Grammy award recipient. On today's pop-music stage, there is the chart-topping singer, songwriter, producer, and multi-instrumentalist *Ari Staprans Leff*, who adopted the stage name *Lauv*, Latvian for "lion" (*lauva*), honoring his mother's heritage.

Existing challenges and opportunities in Latvian–American relations

Since 2014, when the security landscape of the Baltic region was jeopardized due to Russia's illegal annexation of Crimea, and especially after Russia began its war in Ukraine, lobbying to bolster reassurances for the Baltic countries has been the key priority of the Latvian-American community. It is reassuring to see that the American and Latvian people have a common understanding and approach to the crisis – polls in the US show bipartisan support for continuing to help Ukraine, and a record-high 61% support sending US troops to defend Latvia and other Baltic countries should Russia invade.²⁴ While they are psychically far from the warzone, the American people have felt the impact of the war in their lives through increased food prices, higher gas costs, and supply chain disruptions. Although Americans currently see Europe as the most important region of the world for the United States²⁵ and support for Ukraine among the American people and government remains high, ALA's activism remains crucial.

The Latvian-American community's continual priority is promoting Latvia's economic growth, including by supporting the organization of the business conference "Spotlight Latvia". Likewise, its focus continues to be on maintaining cultural relations with Latvia and supporting Latvian schools in the US. With younger generations assimilating more and distancing themselves from their Latvian heritage, ALA's focus is on passing on that heritage and involving more young people in its work. Such exchange programs as "Sveika, Latvija!", Heritage Latvia, and "Spend a Summer in Latvia" have proved effective as they introduce young Americans to their ancestral homeland and provide opportunities

to really experience it and establish contacts and friendships. As the generation of American policymakers changes as well, it is important to continue ALA's work.

Opportunities to strengthen the ties between Latvians and Americans

Although interactions among the people of the two nations might seem plentiful, it appears, however, that, overall, Latvia still remains largely unknown to American people. A new national image study is underway to collect data on the perception of Latvia in 10 countries, including the US,²⁶ and will reflect the actual situation, but everyday interactions suggest that in general, people in America know little to nothing about Latvia as it doesn't come up in their daily information flow. Tourism provides an opportunity to really get to know a country and its people, history and culture: "During our trip to Latvia, we learned much about the Soviet Occupation and the toll it had on ordinary Latvians. That long history of occupation and deportations is not anything that I ever studied in history class",²⁷ recounts a retired professional from the Washington, DC area. "I had never heard that Riga was called the 'Paris of the Baltics'. Nor did I know that Riga is called the Art Nouveau Capital of Europe. And its well-restored and maintained Old Town is a European gem! It should be presented up front in any tourist brochure. These are well-kept secrets to most Americans." "Surprised about the stark contrast between his previous impressions and the reality, he encourages Latvia to "devote a lot of energy into showcasing the beauty of Riga as well as the dense birch forests in the Latvian countryside – a hikers' paradise! [...] I cannot remember ever seeing travel articles in magazines about Latvia or about the singing festival. I would call Latvia an 'exotic' location that is well worth a long visit."²⁸

Another way to learn about and experience the country is offered by the cinema. Over recent years, there have been numerous historic Latvian movies created that provide an opportunity to learn about Latvia and its dramatic history in well-told cinematographic stories. These movies would make great supplementary material in schools and universities as they bring historic events to life. There are stories about different times and crucial events in Latvia's history: about the 13th-century Baltic peoples who later formed the Latvian nation,²⁹ about

the dramatic events of the early 20th century, such as the 1905 Russian Revolution³⁰ and World War I,³¹ and about the sacrifices made to fight for Latvia's sovereignty.³² There is a movie that shows the splendor of 1930s Riga society³³ and one that reveals the complex and tragic stages of Latvia's history in World War II through a girl's eyes³⁴. There is a harshly realistic and terrifying account of the mass deportation of people from Soviet-occupied Latvia to a slave camp in Siberia,³⁵ and a movie to honor the courageous Zanis Lipke, who risked his life to save Latvian Jews from capture by the Nazis.³⁶ There is a documentary on KGB methods in occupied Latvia,³⁷ and another one about an artist refusing to comply with the Soviet regime.³⁸ There are stories about the tumultuous time when Latvia regained its independence,³⁹ and a 2022 movie, which has already won an award at the US Tribeca festival and is Oscar nominated, that focuses on Latvia's move for independence in the early 1990s.⁴⁰

While Latvian films occasionally appear in US festivals and movie theaters, are screened at the yearly Baltic Film festival in New York City, and are shown by the Latvian embassy, they reach a small number of viewers. To reach larger audiences, it would be valuable to make some of these movies accessible on online platforms for educational institutions and other interested parties as a way to supplement history and culture study materials. The National Film Center of Latvia already maintains a platform where Latvian film classics are freely available worldwide.⁴¹ While people with an interest in European classics will treasure this legacy, it is the recently made historical drama movies that have the potential to reach much larger audiences and offer an opportunity to learn about Latvia's history and culture and the resilience of its people in their fight for freedom.

Conclusions

Over the history of Latvian-American people-to-people relations, the Latvian-American community has been the central bridge in strengthening ties between the two nations. They have been passionate representatives of Latvian culture in the United States and genuine supporters of its independence, security and prosperity. As Latvia regained its freedom, people-to-people relations have been formed

and enhanced via numerous channels – tourism, study and professional exchanges, culture programs and business events. Latvians have been represented in the US by many goodwill ambassadors – outstanding professionals in different fields, from science to art to sports – and have made a lasting contribution to America. While these channels have been many, they are not well known among Americans, and Latvia and its people still remain rather secret. Americans would greatly benefit discovering Latvia as a new travel destination and experience its beauty and cultural richness. Getting to know Latvia, its history and its people for who they truly are, would greatly strengthen the ties between the two nations.

ENDNOTES

- ¹ Janis Steinhauers (Johann Steinhauer, 1705–1779) is a true figure of the Enlightenment, a first-rate politician of Latvian origin, and the leader of the Moravian church/movement in Riga, who used his gained status and wealth to fight for the rights of his fellow countrymen under German rule, and he was instrumental in igniting Latvia's national awakening.
- ² The Moravians (Unitas Fratrum, Moravian Brethren, Herrnhuter), emanated from Saxony, Germany. At the beginning of the 18th century, they ignited a revival movement among Latvians in Vidzeme, that prepared the way for the Latvian national awakening to be possible in the 19th century.
- ³ "Šteinhauers un Blūms," directed by Ilgonis Linde (2020), 36-40:15, https://www.youtube.com/watch?v=cNjB3yXB6r8&ab_channel=IlgonisLinde
- ⁴ Salem, from the Hebrew "shalom", was laid out in 1766 by the Moravians; Winston, founded in 1849 as the county seat, was named for Major Joseph Winston, a Revolutionary War hero, <https://www.britannica.com/place/Winston-Salem>
- ⁵ Mihails Hazans, "Emigration from Latvia: A Brief History and Driving Forces in the Twenty-First Century," SpringerLink (Springer International Publishing, May 9, 2019), https://link.springer.com/chapter/10.1007/978-3-030-12092-4_3.
- ⁶ Such as the Philadelphia Society of Free Letts, founded in 1892.
- ⁷ Kuck, J. T. 2016. Made in America: Kārlis Ulmanis and the Making of Pro-Americanism in Latvia, 1918-1940. In: Potjomkina, D., Sprūds, A. and Ščerbinskis, V., eds. *The Centenary of Latvia's Foreign Affairs. Ideas and Personalities*. Riga: Latvian Institute of International Affairs. Available at: <https://www.lai.lv/publikacijas/latvijas-arlietu-simtgade-i-sejums-idejas-un-personibas-556>.
- ⁸ Nacionālā enciklopēdija. 07.03.2022. *Latvieši ārzemēs*. <https://enciklopedija.lv/skirklis/21049>.
- ⁹ American Latvian Association. 02.12.2021. *About Latvians in the U.S.*. Available at: <https://alauusa.org/en/about-us/about-latvians-in-the-u-s/>.
- ¹⁰ Danko, W. D. and Stanley, T. J. 1998. *The Millionaire Next Door: The Surprising Secrets of America's Wealthy*. The top fifteen economically productive small population ancestry groups. New York: Gallery Books.

- ¹¹ Message of President Harry S. Truman on June 14, 1952. Available at: https://www.letton.ch/lvx_asv2.htm
- ¹² Lisa M. Hamm, "Eight Arrested at Protest in Front of Soviet Embassy," AP NEWS (Associated Press, November 19, 1987), <https://apnews.com/article/7adf2bd620d5287e-a28ebd6ddfcf1af3>.
- ¹³ Sprūde, V. 10.03.2017. Richards Zariņš – Trimdas Leģenda. In: *LA.LV*. Available at: <https://www.la.lv/rihards-zarins-trimdas-legenda>.
- ¹⁴ Pelēce, M. 2021. *Valiant! Braucieni Uz Brīvu Latviju*. 33:15-37; 58:20-1:00. Available at: <https://www.filmas.lv/movie/4166/>.
- ¹⁵ Muižnieks, N. Atbildīgums Latvijas Attiecībās Ar Diasporu. In: *Barikadopētija*. Available at: <https://www.barikadopeditija.lv/raksti/144625>.
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Diplomacy and Security

One hundred years of US–Latvian diplomatic relations: Reflections and visions

Valdis Zatlers

In international affairs, it is very important to declare one's readiness to recognize another's statehood in a decisive and prompt manner. It presents serious intentions for a good long-term relationship. The USA recognized Latvia as an independent state just few days after the Latvian constitution was declared. The same happened in 1991 when Latvian parliament declared the restoration of independence of Latvia. In between, for more than 50 years, Latvia was under occupation. The USA did not recognize Latvia's incorporation into the USSR; this policy was declared in 1940, few days after "the puppet parliament" voted in favor for annexation. During the entire time of Soviet colonialism, the Latvian embassy in Washington implemented a doctrine of the continuity of the Latvian state, and the US government's non-recognition of forceful incorporation into the USSR was complementary to it. These two factors were keeping the Latvian state alive *de iure* in the global community. This had substantial importance, and it successfully led to Latvia's return to freedom, independence and democracy. Consistency and trust are very important in building long-lasting partnerships. US-Latvian cooperation from 1922 to 1991 is an outstanding example that not giving up one's values-based relationship even when facing very strong obstacles is worth it, and sooner or later it will have a long-lasting positive effect in global affairs.

Since Latvia regained its independence in 1991, Latvian-US relations started to develop and flourish with full strength. The early-90s were not only years of transformation to a market economy and democratic governance, but also a time of multiplied people-to-people contacts between the USA and Latvia. Diplomacy is practiced not only by politicians and professional diplomats. Perceptions of your partner

in your own society matter a lot. There has always been a great role played by Latvian–American and Baltic–American NGOs. The American Latvian Association, the Estonian American National Council, the Lithuanian American Community, the Baltic American Freedom Foundation – their voice was permanently heard in the corridors of power in the USA. Baltic unity has its roots in the USA.

Today we cannot separate US–Latvian diplomatic efforts from Baltic–US diplomatic efforts. Latvia clearly understands that transatlantic cooperation and unity is the only solid foundation for our security. Danger immediately arises on both sides of Atlantic Ocean whenever somebody starts to undermine these relations. Therefore, it is not surprising that Russia has always exaggerated the US's influence in Latvian internal affairs, trying to raise concerns about the US-Latvian relationship and to divide Latvian society. Due to our clear understanding of the importance of the strategic regional security partnership between the US and Latvia, Russia has never reached this goal.

Once when meeting with businesspeople at the New York Stock Exchange I was asked an unusual question: “do you feel anti-American sentiment in Latvia?” At first, I did not catch the question because it came as a surprise to me. Anti-American sentiments are widespread in some parts of the world. Most of these are because of the legacy of colonial or military conflict. I then kept silent for a while, making my analysis. Afterwards, my answer was very clear. There has not been anti-American sentiment in Latvia that I can remember myself. My generation grew up behind the Iron Curtain with information we got from *Voice of America* broadcasts in the Latvian language. There is just no reason to have these sentiments. As a nation, we have had only good experiences with Americans.

Democracy and freedom should not be taken for granted forever. We must stand up for these values all the time, generation after generation. The same applies to keeping US–Latvian relations in good order. There has always been a Latvian/Baltic friends group represented in the US Congress. But if you read old newspapers from 1991 to today, you will find that names of congressmen in this group change with time. Generations change, both in the US and in Latvia. And every new generation must take care and develop our relations and establish new political contacts, considering the changing global political, economical and social environment.

Traditionally, Latvia has had a bipartisan approach to keeping permanent high-level contacts. That means that president of Latvia, the foreign minister and the minister of defense should travel each year to the USA to keep all political contacts alive. As president of Latvia, I had the practice of visiting the USA twice a year. Despite our good relationship, getting an appointment at the White House is a challenge. Everything depends on the definite global agenda on that specific week when you are in Washington, DC. Personal relationships matter a lot. Occasions like NATO summits, where you have an opportunity for informal meetings, are the right time to talk about a possible visit to the White House. In Bucharest, I used this chance and we set the date for a meeting with George W. Bush. However, we also agreed that officially Vice President Cheney would host me, and President Bush would join us for a conversation afterwards. Everything happened as we agreed.

The same story happened with my visit to President Obama. The president was very much dedicated to his schedule, which was set according to his priorities. When I invited him to visit Latvia, he just asked me: "try to guess where is Russia in my priority list?" I could not answer, and then he answered himself: "seventh place". He used regional visits to cover the needs of all strategic partners in the Baltics and Eastern Europe. Instead, I got an hour-and-a-half-long conversation with Vice President Biden. It was a very fruitful conversation since we both had recently returned from visits to Moscow. After the exceptional manner of practicing foreign policy by President Trump's administration, when President Biden was elected, I was confident that we would have a US president who is a keen expert on relations with Russia, in terms of both US–Russian as well as Baltic–Russian relations.

Personalities truly matter in diplomacy. Especially presidents. They will always have different life experiences, backgrounds, priorities and levels of admiration for specific people and nations. I had the privilege to meet with four presidents of the USA. All of them are different personalities, but all of them are friends of Latvia. All have contributed to the Latvian-US relationship.

President Clinton visited Latvia on 6 July 1994. It was a truly inspiring event for all Latvians. The presence of an American president and his speech at the Freedom Monument in Riga with a couple of thousand people listening was a very special moment. The Russian army was still stationed in Latvia at the time. But President Clinton's visit marked

a turning point in Latvian history and represented full support for Latvia's independence and its people in their aspirations for a better democratic future. Always when meeting President Clinton or Hillary Clinton they remembered this moment as one the most emotional moments of their lives. This made the Clinton family dear friends of Latvia forever. President Clinton also contributed to signing the "Charter of Partnership Among the USA, Estonia, Latvia and Lithuania" on 16 January 1998, which was the legal basis for future relations, opening the doors for Latvia to join the EU and NATO.

The US president's visit always marks some significant turning point in the nation's history. President George W. Bush's visit to Latvia on 6–7 May 2005 was an explicit message to our neighbors that Latvia had become a full-fledged NATO member state. This placed Latvia in a new high-quality security environment.

Latvia's basic foreign policy principles, strategies and partnerships (including the one with the US) are consistent and predictable. Annual foreign policy debates in Latvia's parliament foster these policies year after year. Don't expect significant shifts in Latvian foreign policy actions and behaviors.

If we look at today's challenges in the Latvian–US relationship we must look at them from military, political and economic perspectives. We must evaluate them from a regional Baltic and European point of view. Russia's aggression in Ukraine has united the military and economic efforts of transatlantic community. The time of pure national interests and exceptional bilateral relations is over.

Sweden and Finland joining NATO has significantly improved the security situation in the region. At the same time, Sweden and Finland are concerned about too fast and radical an integration into NATO. We must respect these concerns. Latvia is ready to use our excellent bilateral relations with the USA and our neighbors to facilitate a smooth integration process. Only correlated actions of the EU and NATO can create the most effective deterrence capabilities and environment in the Nordic-Baltic region.

Since the first day of NATO membership, Latvia has proven to be a reliable ally. Adequate financing of the defense budget is not a subject of political discussions anymore. Besides that, close relations between Latvia and the USA are very essential. A regular American military presence in Latvia is a significant part of territorial defense

planning. Local military infrastructure, facilities and contingencies must be developed to the highest possible level and remain ready to host advanced military operations. The reality of war close to our borders and a direct land border with the aggressor makes the situation very serious. Regular visits of high-level American officials to Latvia represent the mutual understanding and the USA's readiness to increase its military support in case it is needed.

At the same time, Latvia must convince our Western European partners not to hesitate when prompt, decisive action is necessary. Multilateral and bilateral support to Ukraine is the crucial pillar to reaching our goal of sustainable peace in the future. We cannot rely only on good bilateral relations. We must work hard to consolidate the Western world. Today, only the coordinated and united actions of each of the NATO and EU member states will lead to rebuilding a global law-based order and sustainable security architecture. But we all must keep in mind that this is possible only with the USA as a leader of the democratic world. Economically, the main challenge is to lower and stabilize global oil and gas prices. Only the USA has the capacities and leverages to influence these processes. Restructuring energy markets and supply routes will take some time. We Latvians must adapt to this situation with all means at our disposal. The internal stability of our multinational society is the main goal of the Latvian government.

Today, we have to acknowledge that we live in a divided multipolar world where half of the planet is neglecting the world order based on international law. A lack of trust is widespread on an enormous scale. The selfishness of putting your own country first has led to the isolation of many countries. Some people are talking about the end of globalization, even though it is a process impossible to stop.

Ever since President Biden took office, the USA has realized that isolation is harmful to their own country, and they have now demonstrated readiness to be a responsible actor on the international stage. Latvia, despite of President Trump's rhetoric, has experienced a deepening of US–Latvian bilateral cooperation, especially in the military field. Deeds matter and create trust.

With the world now facing US–China tensions, full scale Russian aggression in Ukraine, Iran and North Korea selling weapons to Russian aggressors, and above all China's resistance to condemning Russia's aggression, we must strengthen all diplomatic efforts to break

these war-focused alliances. When discussing the idea that the UN is incapable of solving and preventing conflicts and that new, more effective international institutions should be built, we – the US and Latvia – must take a firm stand that no international security system could be built without the full engagement of NATO and the EU. NATO is the most effective military alliance of the last century. The EU is the only effective multilateral political-economic union in the world. But we have to be aware that while living in a democratic environment, every time a nation holds local elections there's a risk that our policies may change. The upcoming elections in the USA may shift the actions that are possible in recreating global stability and peace. We all have collective responsibilities for a global future, but the USA has the responsibility of a superpower to make the good things happen.

Now is the right time to remember President John F. Kennedy's inauguration speech: "Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure survival and the success of liberty"¹.

Latvia is with you, our American friends. We will send this message to the world together. In days when it is impossible to predict the future of global developments for the upcoming few weeks, it is very difficult to talk about next hundred years of Latvian-US diplomatic relations. There is no evidence that this time of uncertainty will end in the nearest future. But if we look backward to the success of the first hundred years of US–Latvian diplomatic relations, we can look forward with optimism. Mutual understanding based on common democratic values and democratic principles was the key to this success. Communication lines were always open and responses to any challenges were prompt and adequate with full respect of each other's interests. Let's not make any specific roadmaps or milestones. The principles that worked for a hundred years will make our relationship firm and long-lasting. Long live Latvian-American friendship!

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The US and Latvia at 100: The century behind us – a false start, terror, and triumph

Daniel Fried

One hundred years of U.S-Latvian relations is more than the story of two nations; it spans the hopes, horrors, and achievements of 20th century Europe, where tyranny and freedom contended through two World Wars, Cold War and, ultimately, the achievement of freedom for Latvians and 100 million other Europeans from the Baltic to the Black Seas. It is also the story of the origins of US grand strategy, of US aspirations, failures, and painful learning and relearning of lessons. That story remains relevant today, with yet another despot in the Kremlin seeking to overturn by war and atrocities the best achievements of the 20th century in the name of its worst features: extreme nationalism that treats bloody ambition as sufficient excuse for Russia's ugly war against Ukraine. The first century of US-Latvian relations holds lessons worth pondering now and in the years ahead.

The Century behind us

US relations with Latvia began with a dawn of freedom for Latvia and other new or restored nations in Europe, the fall of empires, and the rise of the United States. In January 1918, with World War I raging and German victory still possible, Woodrow Wilson gave his "14 Points" speech¹ that outlined a rules-based order of free nations in opposition both to the imperial aims of the allies and to the revolutionary aims of the Bolsheviks, who had just seized power.

Wilson's strategy became known as Wilsonian idealism. But it wasn't really idealism. It was appreciation that a rules-based world that favors freedom fit not only America's values but America's strengths, including

its massive economic and technological power and the promise of more to come. The US wouldn't lower itself to commanding a mere sphere of influence; it wanted the liberal, rules-based system to be global and assumed that it would be its guarantor. The ambition was breathtaking. So, sometimes, was hypocrisy in its application. The genius of the new American system, however, its saving grace, was its assumption that US would prosper best, and perhaps only prosper, when other countries did as well.

Wilson's vision of free nations within an international structure backed by American power to maintain it fit well with the aspirations of Europe's emerging nations. The "14 Points" speech explicitly included support for Polish independence. Wilson's White House also supported Czechoslovakian independence. And Wilson's staff included for him as he went to Versailles for the peace conference a paper that argued that the US should also support Finnish, Baltic, Ukrainian, south Caucasus, and even Central Asian independence from Russia.² The US, at a height of confidence, would welcome into its new international system Latvia and the other countries emerging from empires, implicitly offering them support and even protection. One hundred years ago, the US offered recognition to Latvia and its neighbors that had emerged from the wreckage of the Russian Empire.

But it was a false dawn. Wilson was too far ahead of his country's opinion. Wilson failed to convince the US Senate to ratify the League of Nations treaty. America withdrew from European security, leaving the weakened and uncertain British and French to deal on their own with the Russian and German empires that rose again in the form of Soviets and Nazis. Another war came, one that better American leadership might have prevented. The Roosevelt administration was hemmed in by the power of the so-called Isolationists, who included fascist sympathizers and, after the Hitler-Stalin alliance of August 1939, a number of communists.

The US stood by as Nazi Germany and Soviet Russia invaded Poland and as Stalin, pursuant to his new alliance with Hitler under the Molotov-Ribbentrop Pact, occupied Latvia and its neighbors.

Only with the fall of France to Nazi Germany in June 1940 did the folly of America's indifference to Europe's security become clearer to Americans. Franklin Roosevelt and his people reached back to Wilson by recommitting to a liberal world order, to a free world. One early

sign of this was the Welles Declaration of 1940³, advanced by Sumner Welles, the number two at the State Department, that pledged non-recognition of the Soviet occupation of Estonia, Latvia, and Lithuania and made its argument on principled grounds. The next year, Welles helped draft the Atlantic Charter in August 1941⁴ – like the “14 Points” speech, it was a declaration of war aiming to lay out a vision of a free world, a rules-based world, with the United States, along with Britain, as its guarantor.

But this recommitment by US leadership to a values-based international order came too late for Latvia and Europe’s eastern third. America’s absence in the 1930s meant that the US and Britain could not defeat Hitler without the help of Stalin. That had consequences, and Latvians know well what they were: now a US ally at war with Germany, Stalin could reoccupy the Baltics and seize and communize Europe as far as his armies could reach. And he did.

Roosevelt seemed to recognize the consequences of his alliance with Stalin just before he died but did little, and perhaps at that point he could do little. President Harry Truman called out Stalin and Molotov and organized resistance to Moscow’s extension of its power in Europe, but too late for Latvia and the rest of Eastern and Central Europe. The horror of Soviet occupation followed, including – mass deportations, killings, and attempts to reduce Latvian, Estonian, and Lithuanian national identity to folklore or alleged Nazi sympathy. We see this pattern again in Russia’s aggression and atrocities against Ukraine.

Truman organized the free world, applying, sometimes well and sometimes poorly, the principles of the “14 Points” and Atlantic Charter to the part of Europe that US power could reach but not east of the Iron Curtain. When the Soviets crushed Hungary in 1956, the US agonized but felt it could do little. When the Soviets invaded Czechoslovakia in 1968, the Johnson administration, preoccupied with its losing war in Vietnam, did not even agonize.

The US came to accept as an unhappy but immutable fact the reality of the Soviet occupation of Latvia and the other so-called “satellite nations”. This was the doctrine of Cold War Realism, under which I and my generation were educated. That doctrine dominated US foreign policy thinking for decades and was orthodoxy at the State Department. The US might decry the Soviet domination of Eastern

Europe, but it satisfied itself with the defense of the West. This was the basis of détente as Nixon and Kissinger understood it.

Détente had achievements to its credit: it held Soviet power at the line of the Iron Curtain, stabilized relations with Moscow, and resisted communism elsewhere in the world, all without general war. But it regarded Eastern Europe as permanently lost and the Soviet Union as a permanent reality. The Welles Declaration and talk about democracy in Eastern Europe was not taken seriously. Cold War realism concluded, tacitly but firmly, that the Iron Curtain was forever.

President Jimmy Carter and his national security advisor Zbigniew Brzezinski, and especially President Ronald Reagan, started to change that. They made human rights one pillar of US foreign policy and applied it to the Soviet bloc. Détente had somewhat broadened the scope of what were termed "east-west" contacts, and US and European students, journalists, and scholars started getting to know independent thinkers in the Soviet Union and occupied Eastern Europe. This corresponded with the rise of dissidents in Eastern Europe after 1968, including Poland's KSS/KOR, Czechoslovakia's Charter 77, Baltic dissidents, Russian dissidents like Andrey Sakharov and Aleksandr Solzhenitsyn, and especially Poland's Solidarity movement in 1980. The power of the case for human rights and greater national autonomy that these groups were making had an impact on the West and reminded at least some in the US of the deeper principles of America's strategy.

Nevertheless, Americans generally did not see 1989 coming. Central and Eastern Europe's liberation, a US-avowed policy since 1945 in which official Washington had long since ceased to believe, was happening, driven from within those countries. Poland's Solidarity, the Velvet Revolution in Czechoslovakia, the Singing Revolution in the Baltics, and more succeeded because communism had failed to deliver for the people living under it. And it succeeded because Wilson and other American leaders – like Abraham Lincoln and Frederick Douglass, who saw in universal values a powerful force – were right: a liberal spirit of the age took root among people seeking an alternative to the tyranny they experienced every day and they found it in that great combination of national patriotism and democratic form. Baltic independence succeeded because the Baltic peoples made it happen and because, perhaps, Soviet leader Mikhail Gorbachev was in the end unwilling to use the Stalinist levels of violence that would have

been necessary to maintain Soviet rule over the Baltics. The US, after hesitating, supported the rise of freedom in occupied Europe.

The Realist school, heirs of Nixon and Kissinger, had a point about tactics during the Cold War but was wrong about strategy. Détente and arms control with the USSR were sound tactics not because they ended the Cold War but because they helped ease the greatest dangers of the Cold War – general war – and created conditions in which communism’s many failures would be exposed.

The foundational documents of the American Grand Strategy during the American century – the Atlantic Charter and Wilson’s “14 Points” among them – assumed that what the US Declaration of Independence calls self-evident, inalienable rights had power, that these principles are indeed, as Lincoln wrote, applicable to all men and all times.⁵ The Welles Declaration, America’s non-recognition of the Soviet occupation of the Baltic States, was regarded for many years as an affectation, empty symbolism. It turned out to be the right policy, more realistic than the skepticism and resignation of the Realists.

Overthrowing communism was only the beginning. It is hard to recall how low expectations were in 1989 and how much Latvia and Central and Eastern Europe exceeded them. Many in Washington predicted that the end of the Soviet Empire in Europe would be followed by nationalist wars, poverty, chaos, and authoritarianism. This turned out to be true in Yugoslavia; elsewhere, however, a liberal vision flourished for a generation, and so did societies. Democratic governments introduced policies of free markets. Results followed, first and most radically in Poland and the Baltic countries, where per capita GDP more than tripled in the generation after 1989/91.

That internal progress in turn made possible institutional consequences for Central and Eastern Europe – i.e. NATO and EU enlargements. As Polish democracy activist and later Foreign Minister Bronislaw Geremek put it to me, Poland and other countries took the political capital of liberation and invested it in the economy. That investment in turn provided new political capital that these countries used to advance their candidacies for NATO and EU membership. President Bill Clinton, with Republican support, made the decision to erase the line that Stalin drew in Europe. President George W. Bush, with Democratic support, made the decision to urge NATO to invite the

Baltics to join the Alliance (and he might have chosen otherwise). But their decisions would not have been possible without the power of the successful reforms within those countries.

At the same time, the US reached out to Russia, and even to the late-USSR, offering it an honorable place in the emerging post-Cold War order. The US did not seek to humiliate Russia, notwithstanding the nonhistorical arguments of the Kremlin and some in the West. The US did not demand reparations; it offered assistance. It did not shun Russia's new leaders; it reached out to them. The US advanced a generous policy with respect to Russia, but with two conditions: it did not recognize a Russian sphere of domination over its neighbors and former satellites in Central and Eastern Europe; and second, the US predicated its forthcoming Russia policy on that country's evolution in the direction of democracy and the rule of law.

For Central and Eastern Europe, Latvia included, the horrors of the 20th century ended with a triumph of hope – or, as a dissident from the region once told me, an improbable happy ending like a Hollywood movie. But, as Tolstoy wrote long ago, happy endings are fleeting.

The present danger

We now face dangers that we hoped had been left behind in 1991. Russian President Vladimir Putin seeks to restore the Russian and Soviet empires, drawing from the rhetoric, strategic logic, and tactics of reactionary Tsars, Josef Stalin, and Adolph Hitler. Latvians and many others in Central and Eastern Europe had warned for many years that Russia, if it failed in its own democratic transformation at home, would return as a danger to its neighbors, Europe, and the world. Putin himself warned us of his ambitions through his 2007 address at the Munich Security Conference, a broadside against the US-led international order and indication that Russia would insist on its place as a great power, with the trappings of such a status as Moscow defined them, including a zone of domination over former Soviet and Russian Imperial possessions as far as Russia's power would take it.⁶

Putin posited Russia's claim to Ukraine's Crimea region at the 2008 NATO Summit in Bucharest, saying in his speech at the NATO–Russia Council meeting that when Crimea was transferred from the Russian

Soviet Republic to the Ukrainian Soviet Republic (in 1954), no state procedures were followed.⁷ And Putin took action to advance his imperial vision in the Russo-Georgian War of 2008 and his first invasion of Ukraine in 2014. Putin had his own terms for good relations with the US: a free Russian hand for repression at home and tacit (or explicit) acceptance of a Russian sphere of domination of Europe's eastern third, irrespective of the will of the people living there.

The US was not blind to the danger. It sort of listened to the warnings from those Europeans, such as Latvians, who know Russia best and from Putin himself. In the 1990s, President Clinton said openly that NATO enlargement could be a hedge against renewed Russian aggression, and he pursued it.⁸ President George W. Bush supported Georgia during and after Russia's assault in 2008 and, working with Europe, the US imposed sanctions on Russia after it first invaded Ukraine in 2014. In the wake of that initial invasion, the Obama administration reversed 30 years of US military withdrawal from Europe and started moving forces back to Europe, including to Poland and Romania, while the British, Canadians, and Germans moved forces to the Baltics, Poland, Romania, and other countries. Nor did the US give Putin a pass on his repression at home. Secretary of State Hillary Clinton spoke out against the Kremlin's repression of protests following manipulated parliamentary elections in 2011, earning Putin's ire.⁹ These were all sound policies. No US president, with the exception of Donald Trump and not even his administration, accepted Putin's demands for an empire abroad and tyranny at home as the price of good relations with the Kremlin.

The US and Western Europe only sort of listened to the warnings. Successive US administrations maintained excessive hopes for better relations with Putin's Russia. The Bush administration shrugged off Putin's Munich speech. The Obama administration tried to treat the Russo-Georgian War as a one-off, and within weeks of taking office launched a "reset" with Putin. After Russia's initial invasion of Ukraine in 2014, Obama's administration condemned it and worked with Europe to introduce sanctions against Russia. But it also decided not to send weapons to Ukraine on the questionable grounds that Russia had "escalation dominance" in Ukraine and that therefore sending arms to Ukraine would be futile, destabilizing, or both. Even the Biden administration sought to park the US-Russia relationship in a "stable

and predictable" place, to use the administration's own term, seemingly so that the US could focus on China.¹⁰

Many Western Europeans made the same errors. Some were worse. Germany clung to its fatuous faith in the power of energy dependence on Russia to stabilize relations. France and Germany took the Minsk negotiating process about Ukraine at face value, long after it became clear that Russia was using it to buy time and lull the West into a sense of security until Putin launched his next great assault against Ukraine.

As EU Commission President Ursula Von der Leyen put in in a major speech in September 2022, "we should have listened to those voices inside our Union – in Poland, in the Baltics, and all across Central and Eastern Europe [...] they have been telling us for years that Putin would not stop".¹¹ Instead, some Americans and Western Europeans dismissed or patronized those from the Baltics and elsewhere in the countries that know Russia best as "Russophobic", or "nationalist", or trapped by history.

When Putin launched a war against Ukraine in 2014, the West did respond, but not with the strength required to prevent a second, greater, invasion in 2022. Whatever temporary accommodations or ceasefires Putin may accept, he still means to subjugate all of Ukraine. He has written as much, denying that Ukraine has any basis for independence or even existence as a nation.¹²

Putin might not stop with Ukraine. Indeed, thinking as he does, he will not stop. Moldova and Georgia would be on his list of countries that are too independent, too pro-Western either in their leadership or their societies to tolerate, short of effective control by Russia. Putin is in the process of reducing Belarus to only nominal independence and perhaps soon not even that. The logic of the Putinist principle of "Russkiy Mir", one of whose meanings seems to include the Kremlin's right to protect, to the point of annexation, lands on which Russians or Russian speakers live, means that the Baltic States, northern Kazakhstan, and other parts of the old Russian and Soviet empires potential are targets, Baltic NATO membership notwithstanding. This recalls Hitler's principle that the German Reich should encompass all lands with Germans or German speakers living on them. The dangers that Latvia and its neighbors faced in the 1930s and 1940s have returned: an aggressive tyrant has launched a war of territorial conquest and national destruction.

The US's and Latvia's tasks in the century ahead

In the second century of US-Latvian relations, hard-won strategic wisdom suggests that both countries should build on the best of the past century: advancing a Europe that is whole, free, and at peace, allied with the US and able to tackle together the problems of the age, with Latvia an integral part. And both countries should avoid repeating the worst of the 20th century.

For the US, strategic wisdom means no return to “isolationism” and no retreat to a strategic preference for spheres of influence between great powers, which, experience shows, means a sacrifice of values, international norms, and, of course, the lives and fortunes of the peoples subjected to such great power deals. In the end, as the past century's experience suggests, US interests advance alongside the values that the US espouses when at its best.

For Latvia, strategic wisdom means building on the inspiring success of the past generation: continuing to strengthen its democracy at home, rooted in the rule of law with increasingly capable institutions to match, and acting, as Latvia and its neighbors often have, as a conscience of the free world – which means, sometimes, being the one who warns of dangers.

The immediate task for Latvia, the US, and their friends, is to deal with the present danger from Russia. That means helping Ukraine in its resistance to Russia's objective of destroying Ukrainian sovereignty and regaining as much of its territory as possible as soon as possible. Strategic victory in this conflict means that the Russian regime, and Russians on some level, accept, however grudgingly, that Ukraine will not become a Russian vassal state and that Ukraine's strategic direction will remain in the hands of Ukrainians, including a future in the EU if Ukrainians can manage the internal transformation needed to realize it. (Whether the EU is prepared to accept Ukraine is still an open question, but one that may well break in Ukraine's favor if and when Ukraine succeeds in a post-war internal transformation.)

The failure of the Kremlin's imperial project in Ukraine will also complicate and probably prevent Russia's efforts to restore the Soviet or Russian empire through aggression elsewhere. Ukraine's success in retaining its sovereignty is likely to strengthen the sovereignty of Central Asian countries, bolster beleaguered pro-European forces in

Georgia and Armenia, and remove the shadow of a potential Russian attack over Moldova. Putin's failure in Ukraine will not necessarily mean Lukashenka's fall, but it will weaken that dictator. As Belarus's democratic opposition understands (and Ukrainians ought to understand), they and Ukrainians are in the same fight against a tyrant and a tyrant's system, and they have similar European aspirations.

The defeat of Russian designs in Ukraine will also weaken to the point of effective elimination Russia's threat to Latvia and other Baltic nations. The Russian nationalist dream of regaining the Estonian city of Narva or a piece of eastern Latvia, perhaps using the same Putinist excuse of defending Russian nationals from "Nazis", could recede for the foreseeable future. It is even possible that the defeat of Putinism in Ukraine will give another chance to more democratic-minded Russians to chart an alternative path for their country.

The US-Latvian operational agenda follows from these larger considerations:

- **Security, hard and soft**

It took a long time for the US to realize that NATO Article 5 responsibilities were not abstract or limited to planning. After the initial Russian invasion of Ukraine in 2014, the Obama administration made the decision to reverse 30+ years of US military drawdown in Europe. The initial US and other NATO deployments to NATO's eastern tier of countries must grow, however, if NATO is to be capable of meeting President Biden's oft-stated objective of defending every inch of NATO territory. While Canada leads NATO's Forward Presence forces in Latvia, which are supposed to grow from battalion to brigade strength, the US will have to play a significant role in seeing to it that Latvia can be defended successfully against Russian assault, whether through aerial provocations, military or cyber attacks on infrastructure, or a sudden land assault intended to seize territory and present NATO with a *fait accompli*.

Latvia's military capacity will be limited, and it already meets the NATO defense spending target of 2% of GDP. Latvia's task in hard security is to keep developing its niche capabilities to have the greatest impact it can given its resources. In addition to land forces sufficient to work alongside other NATO forces in defense of Latvia's

territory, it should include cyber defense and other measures to protect critical Latvian infrastructure, including its power grid, electric and gas interconnectors, and computer infrastructure. Given the continuous US political debate about burden-sharing and charges of allied freeloading, arguments that have been around since the 1950s, sometimes merited and sometimes not, Latvia will have to make the case, especially to the US Congress, that it is pulling its weight.

Threats to security are not limited to military threats, cyber-attacks, or infrastructure sabotage. They include the use of corruption as a tool of state policy, Russian and otherwise, seeking to weaken financial systems, launder and hide funds, and take control of key industries and infrastructure with hidden assets. Most European countries and the US have not done what is needed to guard against this; too many have made too much money enabling Russian dirty money to find shelter in London or Miami real estate, US LLCs, or Latvian banks. With responsibility widely spread, there is little value in pointing fingers and more sense in finding solutions. The US and EU can work together to strengthen regulatory norms and standards; Latvia should play a leading role in thinking through the options.

• **Strength and resilience within**

Europe and the US are suffering from a widespread social sense that their governments and perhaps political systems are not equal to the tasks before them: dealing with the economic challenges of inflation and slow growth, income inequality (especially in the US), decaying infrastructure, and the stresses of national identity in the face of immigration. This darker outlook has replaced the confidence of the 1990s with a pessimism about democracy not seen since the 1930s. Leaders of the great authoritarian powers of China and Russia, recalling the dictators of the 1930s, have made the case that democracy is in decline and that they and their authoritarian nationalism represent the future. They have allies in many Western countries, usually on the nationalist right, again recalling the fascist sympathizers in Europe and the US in the late-1930s.

The US has its own challenges in this respect, including the rise of an authoritarian political movement with racist elements, associated with former President Trump, with which the Biden administration is attempting to contend. Latvia, like its neighbors, made a success

of its post-communist transformation in the 1990s and early 2000s, demonstrating the viability of democracy, bolstered by patriotic pride at regained freedom, in coping with problems – namely, building on the wreckage of the Soviet system – that at the time seemed insurmountable. Latvia and its neighbors now face new stresses, including energy shortages caused by Russia and other disruptions caused by the combination of the Ukraine War and Covid-19. Latvia's success in coping with near-term challenges and returning to growth will be key in bolstering its own security, and this can also stand as an example to Europe and beyond.

- **A strong US alliance with a strong Europe**

In 1918, Woodrow Wilson made the first comprehensive case for a free world of democracies. It failed, but after 1945 and again after 1989, the US and Europe came back to this because it seemed the right answer to the horrors of wars caused by the old imperial system and the totalitarian powers of the 1930s. Such a strategic objective still makes sense in the face of current challenges. Some of the leaders of smaller democracies emerging from the wreckage of empires in 1918 recognized that their countries could succeed best, and perhaps only, as part of a larger political association.¹³ The US came to support this idea after 1945; the EU, far from being a German plot to control Europe as is occasionally charged, is more a confluence of European, UK (Churchill especially) and US thinking that some association of European nations was needed to replace Europe's rivalries.

Conclusions

The Biden administration has the most pro-European orientation of any US government since at least George H. W. Bush and has advocated a democratic association of countries in its new National Security Strategy.¹⁴ The EU, along with its debates about "strategic autonomy", also seems to be thinking along similar lines and speaks often of developing a greater capacity for action and the coordination of policy, including against Putin's Russia, and hopefully common approaches to the dealing with China so that it plays more by agreed rules and is less able to exploit them.

Latvia may find it to be in its national interest to push an EU strategic agenda; its influence in Brussels, both on a national basis and through its representatives in EU structures, who bring Latvian and Baltic experience to bear, has benefitted Europe, the US, and the free world as a whole. Putin's Russia is Europe's great security challenge at present. Other challenges also exist, including China's attempts to exploit the international system to its own national ends, global warming, pandemics, and the fragility of the international economic (and supply chain) system to disruptions. Latvia and the US alike would benefit from agreed transatlantic rules that strengthen financial and investment transparency, technology, and internet/social media standards (where the EU is ahead of the US through its Digital Services Act and Code of Practice on Disinformation).

Other challenges, now unforeseen, will arise. The US and Latvia can deal with them best by working through a democratic entente of the world's democracies, with the US and EU at its heart, and including the G7 members, Australia, South Korea, Taiwan, hopefully one day India, and other nations. Latvia and the US are poised to act together in the next century of their relations in ways that build on their best experience from the past to meet the immediate threats and contend with longer-term challenges.

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Latvia and the US: Defense cooperation

Toms Rostoks

The focus of this chapter is US–Latvia defense cooperation. Although it has been generally assumed that the US plays an indispensable role in ensuring the security of Latvia and the Baltic States more broadly, it is not always fully appreciated how deep the defense cooperation between Latvia and the US runs. Indeed, a resurgent and more aggressive Russia has changed the security landscape in Eastern Europe. Its military aggression against Ukraine – first in 2014 and then again in 2022 – has called into question the security of the Baltic States as well. In the face of Russia’s imperial policies, the US has stepped up its commitment to Latvia’s security and defense, which has resulted in a substantial US military presence in Latvia, larger volumes of defense assistance, more and better military exercises in Latvia involving US troops, and a deepening of defense cooperation. As the recently updated Congressional Research Paper on US relations with the Baltic States concludes, “the Baltic states are likely to remain strong U.S. allies and important U.S. partners in Europe that will continue to look to the United States for leadership on foreign policy and security issues”. The report also states that since Russia’s invasion of Ukraine in February 2022, “such cooperation has taken on much greater urgency”.¹ Russia’s war against Ukraine has demonstrated once again the significance of military power in international politics and revealed Europe’s military weakness. US military assistance to Ukraine has exceeded that of European members of NATO by far, even though the war is taking place in Europe. This has not gone unnoticed in Latvia.

The article proceeds as follows. The first section explores the history of US–Latvia defense cooperation and lays out some of the challenges that the US–Latvia defense partnership faces. The second section looks at the current state of defense cooperation. And the third part of the chapter outlines the potential of US–Latvia defense cooperation in the

coming years. Although the focus of the chapter is on bilateral defense cooperation, the analysis at times looks at security more broadly and includes elements that apply in equal measure to the three Baltic States. The ensuing analysis is primarily based on secondary sources, but it also includes insights from interviews with a few high-ranking military officers in the Latvian national armed forces. The interviews were conducted to gain additional insights about the depth of US–Latvia military cooperation and the benefits to both sides that result from providing career courses in the US for Latvian military officers.

US–Latvia defense cooperation – past efforts

The story of the US–Latvia defense cooperation has two distinctive features: the US's ability to provide security without a heavy military presence in the Baltic region in the two decades after the break-up of the Soviet Union, and practical defense cooperation with the aim to strengthen the Latvian military and ensure a US military presence in Latvia. The US's role as a global superpower allowed it to have a significant impact on security in northeastern Europe without having extensive military infrastructure and boots on the ground. This strategy was about providing security without an actual military presence. After all, the US's rotational military presence in Central and Eastern Europe is a relatively recent phenomenon that resulted from Russia's annexation of Crimea in 2014. Before then, there was seemingly little need for a substantial US military presence in the Baltics because Russia was too weak to challenge the unipolar order. Only when Russia openly challenged the security order in Europe did a US military presence become necessary. This, however, was not readily apparent to US policymakers, who first tried to reset relations with Russia early on during Barack Obama's first presidency. Since 2014, however, the US–Latvia defense partnership has intensified in response to the military threat posed by Russia.

Explaining the roots and remarkable staying power of pro-Americanism in the Baltics, Andris Banka claims that "Baltic Atlanticism flows from positive historical encounters with Washington, as well as the conviction among contemporary Baltic officials that, today, only the United States possesses an ample military shield and the willingness to

use it in defense of small states in a volatile neighborhood”.² Indeed, Latvia’s encounters with the US have been largely positive. The US pursued the policy of non-recognition of the incorporation of the Baltic States into the Soviet Union for five decades, thus making their re-emergence on the international stage more likely and easier after the Soviet Union imploded in 1991.³ In early 1990s, the US negotiated the withdrawal of Russian troops from Latvia. In retrospect, that was a truly remarkable achievement, because the continued presence of the Russian military in the Baltic States would have effectively negated their NATO membership.

In late-1997, when Latvia and Lithuania were not invited to begin accession negotiations with the EU (from the Baltic States, only Estonia was invited), American policymakers recognized that this represented a security problem for the Baltic States and signed the Baltic Charter in January 1998. The charter stated in unambiguous terms the US “interest in the independence, sovereignty, and territorial integrity, and security of Estonia, Latvia, and Lithuania”.⁴ Later, the US was the key advocate for the Baltics’ NATO membership.⁵ In the context of George H.W. Bush’s freedom agenda, the Baltic States were a prime example of what could be achieved with determination to return to Europe and with help from other like-minded states.⁶ It was also noted at the time that Latvia, alongside its Baltic neighbors, had become a security provider by supporting the US wars in Afghanistan and Iraq. The Baltic States, however, were not entirely pleased with the security arrangements after they joined NATO in 2004. At the time, the US was fighting wars in Afghanistan and Iraq, while Russia was not yet regarded as a major threat to the security of US allies in Europe. The most visible expression of Alliance solidarity was the Baltic Air Policing mission, but besides that there was little NATO military presence. Baltic defense plans, in turn, were only agreed upon after the Russia–Georgia war in 2008. Although NATO’s limited military presence in the Baltic region seemed appropriate at the time, the Baltic States saw this as being a potentially dire security problem, but it was a problem that could not be solved in the absence of strong US support for a more robust NATO presence in the Baltics. At the time, though, the US did not seem to be interested in taking a more active role.

Things changed quickly after Russia’s annexation of Crimea. Troops from the 173rd Airborne Brigade arrived in Latvia in April 2014, barely

a month after the annexation of Crimea. Since then, there has been permanent rotational US military presence, which was reinforced after Russia's invasion of Ukraine in early 2022. The increased role for the US military was accompanied by the decision of the Latvian government to increase defense expenditure considerably. Latvia's defense budget has more than doubled as a percentage of GDP, and it has tripled in real terms between 2015, when defense expenditure was 255 million EUR, and 2022, when defense spending had grown to 758 million EUR.⁷ Even the tumultuous four years while Donald Trump was in the White House did not have a negative effect on the defense partnership with the Baltic States, as US military assistance to Latvia remained high. Heeding the advice to reinstate conscription⁸ and jolted by the lessons learned from Russia's invasion of Ukraine, the Latvian government decided to reinstate conscription starting from 2023 to boost the pool of military reservists.⁹ Meanwhile, a substantive military presence has been ensured in Latvia with the help of the deployment of NATO's eFP battlegroup since 2017, with Canada as the framework nation. NATO member states decided during the Madrid summit in 2022 that the eFP battlegroups should "be scaled up from the existing battlegroups to brigade-sized units".¹⁰

Latvian and US soldiers have worked together on many occasions, and enduring partnerships have been formed, some of them dating back to the 1990s, such as the partnership between the Latvian National Guard and the Michigan National Guard.¹¹ The participation of Latvian troops in military operations in Afghanistan and Iraq undoubtedly strengthened the security partnership at the level of militaries. It is a testimony to the bravery and professionalism of Latvian troops that a recent movie, *The Outpost: A film about American heroism in Afghanistan*, features prominently the contribution of Latvian troops who fought alongside American soldiers in October 2009 in one of the longest and hardest battles in the history of the US war in Afghanistan.¹² Latvian troops have worked and fought shoulder-to-shoulder with American troops in other potentially dangerous situations. For example, six Latvian soldiers were at the military base in Iraq together with American troops in early 2020 when Iran struck the base with missiles in retaliation for the assassination of General Qasem Soleimani.¹³ All in all, strong ties have been built between Latvian and US defense officials and militaries over the past three decades.¹⁴ These ties have

been strengthened by shared values, common security interests, and the necessity to deter Russia in Eastern Europe. The Baltic States have also demonstrated in recent years considerable expertise on Russia, and there has been greater willingness in the US to take their views into consideration.

The current dynamics of US–Latvia defense cooperation

The US-Latvia partnership has primarily been about security and defense, and to lesser extent about economic ties – although those have also grown in recent years. With the US answering the call in the face of Russia’s revisionist policies, Latvia’s partnership with the US intensified. This has several components: the procurement of military equipment from the US, a greater US rotational military presence in Latvia, the participation of US military personnel in military exercises, and US military assistance to Latvia.

The need for a greater US military presence in Latvia largely stems from the asymmetry of power between Russia and the Baltic States. Estonia, Latvia, and Lithuania combined spend barely 3 billion EUR on defense, even though all three Baltic States have gone well-beyond the 2% NATO benchmark. Although Russia’s military has underperformed in Ukraine, the asymmetry in terms of military power is still largely in Russia’s favor. Thus, increasing defense spending would not necessarily provide a stronger deterrent against Russia, unless NATO allies step in to fill the void. The US’s contribution is especially significant in this respect, as it has been a long-time aim of Latvian policymakers and defense officials to ensure a permanent (or rotational) US military presence in Latvia.

Latvia has been a beneficiary of US government programs such as the European Deterrence Initiative (EDI), the Baltic Security Initiative (BSI) and the International Military Education and Training (IMET) program. EDI was first proposed in 2014 in response to Russia’s aggression against Ukraine, and the program has been aimed at bolstering the “security and capacity” of US NATO allies and enhancing “the capability and readiness of U.S. forces, NATO Allies, and regional partners of the U.S. for a fast response to any aggression in Europe

and transnational threats by a regional adversary against a sovereign territory of NATO Allies". The EDI supports five lines of effort: increased presence; exercises and training; enhanced prepositioning; improved infrastructure; and building partnership capacity.¹⁵ In short, Latvia has benefited from increased the US military presence in Europe, which comes at an additional cost to US taxpayers.

The BSI, in turn, is a US government program that bolsters the defense capabilities of the Baltic States. As pointed out in a recent report by the Center for European Policy Analysis (CEPA), US military assistance has been matched by a marked increase of financial contributions by Baltic States' themselves.¹⁶ Thus, the Baltic States have rightly positioned themselves as responsible allies who are doing their part while also expecting increased contributions by their NATO allies. The Baltic States have received sizable military assistance through the BSI. A recent report mentions that Estonia, Latvia, and Lithuania were provided 169 million USD in FY 2021 and 180 million USD in FY 2022. Also, the Baltic Defense and Deterrence Act has been introduced in the US Congress. If signed into law, it would codify the BSI and authorize 250 million USD annually from the Department of Defense from 2023 through 2027.¹⁷

US defense assistance to Latvia should be considered in two related contexts. First, the Baltic States are among the leading donors to Ukraine. The Kiel Institute for the World Economy estimates that Latvia is one of only two states (the other is Estonia) that have provided military and economic assistance to Ukraine upwards of 0.75% of GDP. Latvia has provided Ukraine with bilateral aid worth about 0.9% of GDP;¹⁸ and that includes military aid approximately worth 300 million EUR.¹⁹ The amount of military support that Latvia has provided to Ukraine is remarkable as it represents almost 40% of its annual defense budget. Providing such a large part of its military stocks means that these will have to be replenished in the coming years. Although ammunition and military systems will not be procured only from the US, it is noteworthy the Baltic States have combined for approximately 2 billion USD in proposed purchases of defense systems and services since 2015.²⁰ Thus, the Baltic States have increasingly turned to the US for defense equipment – not just because their defense expenditures have increased, but also because of the considerable amount of military assistance that they have supplied to Ukraine. Latvia's reliance

on military equipment supplies from the US may increase in the coming years with the purchase of HIMARS artillery rocket systems.²¹ The US military already brought one HIMARS system to Latvia in 2021 to demonstrate its ability to deploy this system at short notice, but the outstanding performance of long-range rocket artillery systems in Ukraine has convinced the Baltic governments to acquire these systems because they provide the capability to target the adversary's supply lines and command and control centers.

The US–Latvian defense partnership is usually looked at through some of its most visible aspects, such as the US military presence in Latvia, high-level meetings between American policymakers and their Baltic counterparts, joint military exercises in the Baltic region, and highly visible acquisitions of military equipment (such as Black Hawk helicopters). There is, however, another highly relevant aspect of the US–Latvia defense partnership, namely, the participation of Latvian military officers and specialists in US government-funded military education programs. The Latvian military has benefitted from the IMET program since the 1990s and continues to do so almost two decades after joining NATO. US financial support has provided Latvian officers and specialists with a military education in US military institutions. For example, Chief of Defense of the Latvian National Armed Forces Leonids Kalnins is a graduate of the Army Command and General Staff College.

Participation in the IMET program has benefited the Latvian military by ensuring direct military-to-military contacts with the US military. As evidenced by participants themselves, the opportunity to attend a year-long course at US military education institutions has provided them with a high-quality education and has helped them to gain a fuller understanding of the US military, politics, and society.²² These education programs are well-funded and well-resourced. As a consequence, they provide participants with a multinational learning environment in leading US military education institutions. The study process, as characterized by the grateful beneficiaries, is well-organized and offers opportunities to learn from leading practitioners (active and retired) under the supervision of qualified academic personnel. Graduates of the US Naval War College in Newport, Rhode Island, the US Army War College in Carlisle, Pennsylvania, and the US Army Command and General Staff College in Fort Leavenworth, Kansas,

admit that the study process is challenging, but also inspirational, as it usually provides the intellectual foundation for the next step in a military career. Participation in career courses in the US also demonstrates the value of a quality education in the military profession. This is not insignificant, because the Latvian participants are involved with the military education system in Latvia in one way or another.

Although most of the benefits from participating in the IMET program accrue to Latvian officers, there are considerable benefits for the US participants as well because the presence of international participants allows US officers to gain insights into how various challenges to international security are seen by officers from Europe, Asia, and the Middle East. As the American military retains a global presence through its sprawling network of military bases around the world, US officers are likely to be deployed abroad at some point in their career. Having had first-hand experience studying and working together with officers from other nations thus provides critically important professional and personal experience. All in all, US government-funded programs have made a lasting contribution to the Latvian military, and they demonstrate the significance of the military-to-military partnership.

The outlook for US–Latvia defense cooperation

What is the outlook for US–Latvia defense cooperation? Overall, the partnership is very likely to endure, and there are several factors that ensure close defense cooperation. The US and Latvia are treaty allies, and the intensity of military and other threats posed by Russia to frontline states such as Latvia has increased considerably in the past years. Despite America’s European allies’ ambitions to proceed with further defense integration and to pursue strategic autonomy, European allies underperform militarily. This may change in coming decades, but for now the US plays an indispensable role in Europe’s security. Efforts to counter Russia’s aggression against Ukraine have once again underscored the significance of America’s military leadership.

Latvia has demonstrated that it is a responsible ally. Although the rhetoric of Latvia’s policymakers towards Russia has hardened over time, it has been proportionate to the threat that Russia poses to its

neighbors. As Andris Banka remarks, Latvia has been neither reckless nor a free rider.²³ Thus, Latvia has not taken any steps that would be indicative of the moral hazard problem in the US–Latvia security and defense relationship. Also, Latvia has taken important steps to strengthen its defense. Latvia has systematically increased defense spending since 2014, having reached the 2% of GDP threshold in 2018, and it has plans to increase defense expenditure further. The Latvian government has agreed to hike defense spending to 2.5% until 2025. If the Latvian government proceeds with a more ambitious version of conscription and acquires some expensive military systems (medium-range air defense, coastal defense, long-range rocket artillery systems) then it is likely that this would necessitate increasing defense spending to almost 3% of GDP. In this regard, continued US financial support will be needed because procuring these systems in sufficient quantities may be out of reach for the Latvian government.

There are reasons to be optimistic about the US-Latvia security and defense partnership, not just because of the necessity to counter threats posed by Russia in Europe, but also because Latvia has taken US interests and security priorities seriously. Historically, Latvia has supported the US invasion of Iraq, and Latvian troops have been deployed to both Afghanistan and Iraq. Latvia increasingly recognizes the systemic challenge posed by China. Although Lithuania has been the most outspoken of the three Baltic States in criticizing China's policies, Latvia also recognizes the challenges posed by greater Chinese economic and military influence in Europe and is willing to counter China's influence.

Importantly, support for a defense partnership with Latvia runs deep in the US political system, with both Republicans and Democrats expressing support for their Baltic allies. The Baltic lobby in Washington works with both parties to ensure bipartisan support for Estonia, Latvia, and Lithuania. There are strong military-to-military ties between the US and Latvian militaries, which are the result of joint participation in US-led operations and contacts established during studies in American military education institutions. Broad-based cooperation and three decades of defense cooperation ensure support for the US-Latvia defense partnership on all levels.

Finally, in the same way that Russia's invasion of Ukraine in 2022 lent urgency to the US-Latvia defense partnership, the outcome of that war

will leave a lasting impact on European security, including that of the Baltic States. The extent of the US's military presence in Europe will depend on the outcome of the war, and this logic applies to Latvia's defense policy. It may be fashionable to claim that Latvia should pursue an ambitious defense policy and discount the twists and turns in Russian domestic politics in favor of military preparedness in case Russia retains revisionist ambitions. It is unlikely, however, that a weaker Russia would elicit the same forceful response from NATO as a militarily strong and revisionist Russia. Although the war is likely to continue well into 2023 and it is hard to predict how it might end, Ukraine will likely retain its sovereignty and independence. Also, the war will leave a lasting imprint on Russia's politics and society. By now, Putin's continued rule in Russia is all but assured. Although one should not be overly optimistic about the potential for democratic change in Russian politics and society, Russia's war of aggression may result in a decisive break from its past imperialist policies. If this happens, Russia would follow in the footsteps of other great powers that were not willing to relinquish their respective empires. In other words, a different (and less belligerent) Russia is possible,²⁴ and the shape of Russia that will emerge from the war with Ukraine will also affect the extent and depth of the US-Latvia defense partnership.

Conclusions

What policy recommendations could then be offered for those interested in the US–Latvia defense partnership? The formula for success is already well-known, and it includes a constant nurturing of the security partnership between the two nations. This would involve constant dialogue between both partners and a willingness to listen to each other. This would also require working across the aisle in the US, where politics have become increasingly polarized and both political parties find it difficult to agree on almost anything. The Latvian government would, in turn, do well to address the dormant anti-Americanism that is particularly visible among the Latvian Russophones. Finally, it is imperative to ensure that contacts between the US and Latvia are not limited to politicians and government officials, because it is the grass-roots support for the strategic partnership that has made it

successful in the past. People-to-people, military-to-military, academic, think-tank, economic, and cultural contacts are key for the strategic partnership to endure as we move into the second century of US–Latvia relations.

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- ⁵ It is important to keep in mind, though, that the alleged “NATO expansion” at the turn of the century was as much the product of the Baltic States and other states in Central and Eastern Europe pursuing consistent Atlanticist policies as it was the product of pull factors, that is, the interest of NATO member states to expand the Alliance eastwards. For a more detailed analysis of the Baltic States’ agency in the process of NATO enlargement, see: Kasekamp, A. 2020. An Uncertain Journey to the Promised Land: The Baltic States’ Road to NATO Membership. *Journal of Strategic Studies*, 43:6–7, 869–896.
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Entering a new era of European security, together: The future of Latvian–US defense cooperation

Jason C. Moyer

On a cold January day in northern Michigan, hundreds of US national guardsmen and Latvian armed forces gather for a week of exercises and exchanges. They assemble at the National All-Domain Warfighting Center for nine days to practice tactics and train together in extreme cold weather conditions. The temperature reads -6 degrees Celsius, even though it feels like -12 degrees, yet spirits are high. There are murmurs that Russia has been amassing troops along the Ukrainian border and speculation about what this might mean for Latvian defense. The Secretary of Defense had just announced the United States was putting 8,500 members of the armed forces on high alert for potential deployment to Eastern Europe as part of a NATO response force, in the hopes of deterring a Russian invasion of Ukraine.

Since 27 April 1993, Latvia and the Baltic States have participated in the State Partnership Program. Under this program, Latvia's armed forces have partnered with units of the Michigan National Guard for regular exercises and exchanges, while Estonia's armed forces similarly partner with the Maryland National Guard and Lithuania's armed forces partner with the Pennsylvania National Guard. Lieutenant General Leonids Kalnins, Commander of the National Armed Forces of Latvia, commented: "The US is a trusted long-term partner of Latvia which has played a strategically important role in strengthening Latvia's and Baltic regional security over the years. We, [the] National Armed Forces of Latvia, are immensely proud and grateful for our long-standing partnership".¹ The 2022 exercise, dubbed "Winter Strike", sought to enhance interoperability and communications between Latvian forces and US national guardsmen. It "allows training audiences to build

readiness in a demanding cold-weather environment while supporting joint, all-domain operations".² The relationship between Michigan and Latvia is one of the most successful examples of the State Partnership Program, according to the US Department of Defense.³ It is emblematic of the larger defense relationship has been carefully cultivated between two long-standing allies and friends over the last century of relations.

At the time of the exercise in late January 2022, this was seen as a standard, annual exchange, which Latvia has participated in for over 29 years. Less than a month later, war would return to the European continent when Russia launched its brutal, illegal, and unprovoked invasion of Ukraine on 24 February 2022. The months that followed would see countless debates over how to respond to Russia's invasion on both sides of the Atlantic. It upended decades of norms on the European continent, leading to announcements of increased defense spending unseen since the end of the Cold War. Latvia and the Baltic States, often unheeded in Brussels for their calls of the dangers posed by Russia, have always found a receptive audience in US decision-maker circles in light of Russia's invasion of Crimea in 2014, alleged interference in the 2016 US presidential election, and aggression that has stoked fears of a new Cold War. A new era of European defense and security is emerging as a result of Russia's invasion of Ukraine, one that will require more of European allies while continuing to rely on US military might. The next century of Latvian-US defense relations will be defined by the lessons learned from the invasion of Ukraine, the steps both sides of the Atlantic take to prepare for the next major conflict, and deeper cooperation.

The first century of Latvian–US defense cooperation

Latvia and the United States are strong allies who mutually support one another's security and defense goals. For the United States, Latvia is strategically located for both NATO and US defense objectives in the Baltics. For Latvia, the United States offers leadership in both foreign policy and security matters. Russia's invasion of Ukraine in February 2022 only drove home the importance of Latvian-US defense cooperation and increased the urgency and frequency of such cooperation. To best understand the current high level of commitment

between the two nations, it is necessary to explore the build-up in relations between the two nations over the last hundred years.

Latvian–US defense cooperation has its origins in the unbroken diplomatic relations between the two countries that has endured since 1922.⁴ When Soviet troops occupied the Baltic States in 1940, the US Department of State issued the Welles Declaration⁵ denouncing the Soviet Union’s maligned annexation. In many respects, this invasion was the first time a security dimension was added to the relationship, with strong US support for Latvian democracy and the commitment to recognizing Latvia’s government. As the Cold War ended, the United States continued to support Latvia as a nascent democracy through to its membership in the European Union. As the Iron Curtain lifted, Latvia approached the United States for assistance in developing its own military, one capable of a credible national defense and with an eye towards Russia as its greatest threat. The United States has played a vital role in helping Latvia build its armed forces and has helped firmly integrate its military into NATO and the collective West, firmly placing Latvia out of the sphere of influence of Russia.

Successive US administrations have reaffirmed their commitment to Latvian defense. The bipartisan support of Latvia as an ally demonstrates the importance of the Baltics in the US’s defense strategy. The Obama administration frequently consulted with its Latvian counterparts, especially after the Russian invasion of Crimea in 2014. President Obama on multiple occasions reaffirmed NATO’s commitment to defending Latvia and the Baltic States, making it clear that Latvia was under the NATO umbrella.⁶ US forces were sent to Latvia in April 2014 as a result of the invasion of Crimea, with NATO delivering multinational forces to the eastern flank a few years later.⁷ At the time, it was unclear if Russia’s territorial aspirations were to also reclaim the Baltic States, prompting immediate US action. Despite President Obama’s pivot to Asia and his attempts at resetting the US relationship with Russia, Latvia and NATO remained vital to his administration.

The Trump administration continued its strong support of Latvian defense. However, President Trump was openly derisive of NATO’s utility and referred to the defensive Alliance as “obsolete”.⁸ He vocally pushed NATO members to uphold the 2014 Wales Declaration goal of spending 2% of their GDP on defense within the decade.⁹ He sought to re-balance burden-sharing in the Alliance, placing more of

the burden on European allies his administration perceived as free-loaders. This proved popular with his voter base, although increased European defense spending has been a persistent US goal in previous administrations. In spite of his rhetoric, President Trump was effective in pushing NATO members to uphold the 2% minimum, with more countries meeting this threshold under his administration than ever before.¹⁰ Since 2018, Latvia has been one of a select few NATO members to meet the 2% spending minimum.¹¹ According to its budget for 2022, Latvia's defense expenditures will continue to grow and will reach 757.17 million EUR.¹² This year will mark the largest amount of funding allocated to Latvia's defense to date.

US Congressional support for Latvia remains at an all-time high, with many in Congress recognizing the value of Latvia as an ally. During the 117th Congress, the Senate adopted a resolution (S.Res. 499) celebrating 100 years of diplomatic relations between the United States and Latvia, plus its Baltic neighbors. The resolution committed to continued economic and security cooperation, noting how Latvia and its neighbors paved the way for democracy and freedom in Eastern Europe. A similar resolution (H.Res. 1142) was introduced in the US House of Representatives to acknowledge the milestone in diplomatic relations and reaffirm their commitment to supporting Latvia as an ally.

Congress appropriated almost 169 million USD for the Baltic Security Initiative (BSI) in FY2021 and 180 million USD in FY2022. The Baltic Defense and Deterrence Act, introduced in the House of Representatives (H.R. 7290)¹³ and the Senate (S. 3950) in March 2022, would seek to codify the BSI, claiming it would be in US national security interests to strengthen this defense relationship. This resolution would authorize 250 million USD in DOD funding for the BSI annually from FY2023 through FY2027 and establish a complementary Baltic Security and Economic Enhancement Initiative at the State Department to bolster commercial ties. Considerations for this bill include 1) the threat of Russia to NATO's eastern flank and 2) rising tensions with China, noting their increased role in the Baltics and bullying tactics, especially with Lithuania. Of note, this initiative would seek to further develop the Baltic States' air defense systems, a priority of DOD security assistance. The 2021 BSI budget request included 45 million USD for Baltic Air Defense Programs, to be invested in capabilities aligned with the Baltic

countries' own national defense plans and in close cooperation with US European Command and NATO.

It is vital that the Baltic Defense and Deterrence Act pass and codify the Baltic Security Initiative into US law. This would provide an unshakeable commitment to Latvian-US defense collaboration for the next decade. Covid-19, the 6 January attack on the United States Capitol building, and protests demanding racial equality have led to a high rate of ideological fragmentation in the United States. The pandemic has only deepened ideological fissures that President Biden sought to repair as president. Increased political polarization in the United States threatens the institutions that underpin the US–Latvian defense relationship. Enshrining these institutions and defense commitments allows them to better weather any future politicization the United States experiences.

In addition to their bilateral defense and security cooperation, Latvia and the United States stand united through their membership in the NATO Alliance. Latvia joined NATO in March 2004.¹⁴ As a defensive Alliance, NATO has been a security provider in the Baltic region and is viewed as the primary deterrent against Russian aggression. For the United States, NATO remains its indispensable alliance structure. For Latvia, NATO is its primary shield against Russian revanchism and allays fears that it will become the next victim of Russian imperialism.

For NATO, Latvia represents the eastern flank of its borders. It is key to NATO's deterrence and defense posture. More ships, planes, and troops have been reallocated to the eastern flank in recent years to deter Russian aggression. The NATO enhanced Forward Presence battlegroup in Latvia consists of more than 1,250 Canada-led multinational forces. NATO allies contributing troops in Latvia include Albania, the Czech Republic, Italy, Montenegro, North Macedonia, Poland, Slovakia, Slovenia, and Spain.¹⁵ This bolsters Latvia's armed forces of 7,500 active-duty military servicemen. Latvia's armed forces has another 20,000 in reserves. Compulsory military service is to be reintroduced in light of Russia's aggression and is expected to raise Latvia's military-ready forces to over 50,000.¹⁶ Latvia has both welcomed and supported NATO's enhanced Forward Presence mission, viewing the multinational troop presence as a security guarantee against Russia invasion.

Beyond NATO's enhanced Forward Presence, Latvia has provided host-nation support to Operation Atlantic Resolve since 2014 and has

hosted a US rotary wing aviation detachment at Lielvarde Air Base since 2014. Latvia is one of only seven countries certified to call in US airstrikes.¹⁷ The Baltic nation has its own trained joint terminal attack controllers and trains other NATO-nation JTACs.¹⁸ This demonstrates the high level of trust the United States has in its ally. Latvia is also an active host in exercises for NATO readiness: from March through May of 2022, the annual “DEFENDER-Europe” exercise was organized to enhance readiness and interoperability between the United States, NATO, and NATO member states. More than 8,000 personnel from the United States and Europe participated, with Latvia chosen as one of 11 European participants. Latvia specifically led “Summer Shield”, a field training exercise focused on land operations.¹⁹

Riga hosts the NATO Center of Excellence for Strategic Communications. Since 2014, this official NATO Center of Excellence has trained and educated leaders and specialists from NATO member and partner countries. Its expertise is listed as: “developing improved strategic communications capabilities within the Alliance by helping to advance doctrine development and harmonization, conducting research and experimentation, identifying lessons learned from applied StratCom during operations, and enhancing training and education. It also operates as a hub for debate within various StratCom disciplines: public diplomacy, public affairs, military public affairs, information operations and psychological operations”.²⁰

Latvia’s relationship with NATO is not only practical but is also focused on larger geopolitical questions. NATO has notably taken on the rise of China in recent years. The most recent NATO Summit, in Madrid, led to the launch of a new Strategic Concept outlining the enduring mandate of the Alliance. The last time the Strategic Concept was updated was the 2010 Lisbon Strategic Concept – China was completely absent. China features prominently in the 2022 Madrid document, which recognizes that China’s ambitions “challenge our interests, security and values”. NATO’s Strategic Concept is specific about the threat to Alliance security posed by China’s military build-up, cyber and disinformation capabilities, and control of key industrial sectors and critical minerals. NATO recognizes additional challenges, too: China’s enhanced presence in Europe through its Belt and Road Initiative, the economic dependence of some European countries on China, and the build-up of Chinese military capabilities in the South

China Sea. As a result, the importance of the Indo-Pacific is stressed, noting that it is likely that NATO will increasingly play a role in this part of the world. While the Strategic Concept underscores that NATO remains open to constructive dialogue with China, as a document it demonstrates a coalescence of differing viewpoints on both sides of the Atlantic of the threat China poses to the global order, in part due to evolving perceptions of China in Europe.

Outside of NATO's borders, Latvia is a reliable ally of the United States in the global effort to combat violence and extremism. It is present in numerous conflict areas around the world, including the Middle East and Africa. Along with other NATO allies, Latvia wrapped up its presence in Afghanistan in 2021. Although NATO's withdrawal from Afghanistan led to its government's collapse, the resurgence of the Taliban, and frayed transatlantic relations, the operational experience from two decades of military cooperation is notable. Latvia has also contributed troops to Kosovo's stability through KFOR. This NATO-led operation is, at the time of writing, the largest foreign deployment of Latvian soldiers.²¹

Challenges and opportunities

Celebrating 100 years of diplomatic relations offers an inflection point to review shared challenges and opportunities for future cooperation. To meet the challenges of the next century, the United States and Latvia must deepen their defense and security cooperation. A new era of the European security order has emerged in the aftermath of Russia's invasion of Ukraine.

At the time of writing, the West stands united in its support of Ukraine and its fight against the Russian aggressors. Despite this unity, cracks are beginning to emerge. There is only one Russia, which seldomly leans on close allies such as China, Saudi Arabia, and Iran, whereas the West consists of 30–40 nations (depending on your definition), each with competing interests, domestic challenges, economic demands, and bilateral relationships to weigh. Eventually, cracks in the West will manifest, whether due to a rekindling of a transatlantic trade war,²² a new US president in 2024 with an isolationist streak that seeks to shed the perceived burdens of European allies, the abuse of new technologies

such as artificial intelligence, or any number of unpredictable events. Russia is counting on the West fracturing before it does, allowing its invasion of Ukraine to continue in a drawn out, extended conflict.

This is a flashpoint in the defense and security of countless European countries that is prompting decades of policy upheavals in less than a year. German Chancellor Olaf Scholz announced historic defense spending, upending decades of policy; Denmark voted to drop its NATO defense opt-out; and the European Union, for the first time in its long history, is providing military aid. Latvia is not isolated from these massive shifts in defense posturing. Riga – located a little over 800 km from Kyiv – has one of the highest percentages of GDP dedicated to defense spending, and it has emerged as the top contributor in bilateral aid to Ukraine as a percentage of GDP. According to the Kiel Institute for the World Economy, Latvia is the number one provider of bilateral military aid as a percentage of GDP. The United States is the top overall contributor and has given to Ukraine almost double the military and financial support the combined European Union has provided.²³

The opportunities in the bilateral defense relationship are multifold and varied. The Russian invasion of Ukraine has given renewed purposes to NATO, reinvigorated and multiplied European defense spending (including some much-needed upgrades to national stockpiles and equipment), and united the West against a common enemy. Although public support for NATO in the Baltics has remained historically strong, NATO's mandate was not as universally recognized in the last decade across the entire Alliance, with French President Emmanuel Macron famously quipping that NATO was braindead, referring to the Alliance's lack of strategic utility. This is hard to imagine, given the tectonic shifts underway as a result of Russia's invasion of Ukraine. Within a month of Russia's aggression, Germany, Belgium, Romania, Italy, Poland, Norway and Sweden committed record sums to defense spending.²⁴ Donations to Ukraine's war effort included Soviet-era equipment that was previously used by NATO countries, which in turn will need to be replaced.²⁵ Although stockpiles are depleted across Europe, this presents the prospect for replacing antiquated equipment with newer, more interoperable models. These opportunities come amid the unfortunate backdrop of conflict returning to the European continent.

One major challenge facing the Latvian-US defense and security space is growing partisanship in the United States. Looking ahead

to the next US presidential election, there are concerns on the other side of the Atlantic of a presidential candidate with a preference for isolationism, whether this is the return of Donald Trump or someone who emulates his style of leadership. In the near-term, partisanship threatens US support of the Ukraine war effort, with 48% of Republican respondents now saying the United States is doing too much to help Ukraine.²⁶ If support for Ukraine becomes a partisan topic in the United States, it threatens transatlantic security on a large scale and provides Russia with countless opportunities for incursions into neighboring states.

Russia's invasion of Ukraine has changed security in Europe for decades, if not generations. Rebuilding Ukraine will require more than a modern Marshall Plan.²⁷ It will take the combined resources of the West, of which the United States and Latvia are currently leaders in their respective categories. A state with ill-defined borders, whether they be contested or porous, poses a security risk for the entire region. And the aggression displayed by Russia cannot be seen as permissible, or Russia will try to reclaim additional territory in its attempts to revive the Soviet Union. Moving forward, the United States, Latvia, and NATO allies will have to adopt the lessons from this conflict to prevent a similar experience in the future.

Into the next century of defense cooperation

The Russian invasion of Ukraine has revealed several vital truths that have been espoused by academics and policymakers for decades. These trends will invariably impact the future trajectory of Latvian–US defense relations.

Lesson #1: Europe still depends on the United States for security. Despite recent shifts in EU policy towards defense and security, calls for strategic autonomy, and increased spending on defense, the Russian invasion of Ukraine revealed that Europe is still dependent on the United States for security guarantees. It came as a shock for some European nations that Germany was either unwilling or unable to provide military assistance to Ukraine in the early days of the conflict. Despite the laudable commitments to EU defense capabilities through PESCO and the EU's Strategic Compass, the reality is that Europe still

needs the United States. Moving forward, the EU will need to re-assess its role as a security provider. Specific member states, namely Germany, will need to dramatically overhaul and modernize their defense forces if they hope to address the next major conflict without depending on US support. This growth needs to complement NATO's expansion, avoiding duplication of NATO efforts and capabilities.

Lesson #2: All warfare is hybrid now. Modern warfare has moved into the cyber domain. Traditional views of tanks and soldiers marching across the battlefield are no longer as imperative as the fight for the larger narrative of the conflict and the potential economic, energy, and political disruption of modern warfare. Innovative new technologies such as weaponized kamikaze drones are being used against Ukrainians, requiring a reconsideration of traditional air defense. Meanwhile, the Russian invasion of Ukraine is, in many respects, the largest conflict to be fought on social media as images of POWs or captured equipment flood social media platforms. This has changed intelligence-gathering and tactics on a fundamental level. Moreover, the fight for the narrative in Ukraine spans across devices around the world as Russian misinformation on food security spreads across Africa and the West is vilified for "provoking" Russian aggression. Latvia experienced the asymmetries and difficulties of hybrid warfare firsthand during the Belarusian-European Union migrant crisis of 2021, which weaponized migrants. Further investment and development into combatting and mitigating hybrid warfare is necessary, from increased cyber coordination to more effective communication of the narrative of the conflict across the world, as well as enhanced adaptivity to new technology, such as the kamikaze drones being utilized against Ukraine.

Lesson #3: The Baltic States were right about Russia – but is the United States right about China? Finnish Prime Minister Sanna Marin famously said: "We should have listened more closely to our friends from the Baltic States and Poland, who have lived under Soviet rule".²⁸ A recurring theme since February's invasion of Ukraine is that Western Europe and the EU failed to listen to the Baltics, whose experience with Russia was frequently downplayed. Now, these concerns have materialized and Latvia and the Baltic States have been vindicated – they were right about Russia and the threat it poses. Meanwhile, the United States for the last several years has ramped up its competition with China, while European nations have been slower to heed its calls.

The United States views China as a direct threat to its hegemony, while the EU has opted to view China in more nuanced terms. First declaring China to be a competitor, then a systemic rival, Europe's approach towards China has slowly come in line with US views, in part due to China's increasing authoritarianism, human rights abuses, and economic coercion. In Latvia, the United States has a natural supporter of its targeting of China as a rival. Latvia and its Baltic neighbors have a skeptical outlook towards China, in part due to 1) Lithuania's recognition of Taiwan and China's ensuing attempts at coercive tactics against the nation, 2) China's close relationship with Russia and its lack of condemnation of the invasion of Ukraine, 3) security concerns that may stem from Chinese investment or equipment. Many are viewing the actions of Russia in Ukraine as a harbinger of China's actions in Taiwan or Southeast Asia. Only time will tell if the U.S. is right to be concerned about the rise of China, and it cannot handle its rise without European allies. As the Baltic nations demonstrated with their concerns over Russia, will China be the threat the United States is heralding?

The previous section on lessons learned from the conflict in Ukraine will allow the United States and Latvia to prepare for the next conflict. Already extensive groundwork has been prepared for the next decade in the security space, much of which will need to be revised to account for the new security landscape in Europe following Russia's invasion of Ukraine.

A major unknown facing the United States and Latvia's security dynamic is the question: what will relations with Russia look like in the next decade? It is clear a new Iron Curtain is falling in Europe, with Belarus and Russia on one side and Ukraine, the EU, and the collective West on the other side. Will Russia resemble North Korea – politically isolated, with a strong dependence on China as a partner, and prone to outbursts that dominate media headlines around the world – or will a change of government occur that puts Russia on a path towards normalizing relations with the West? In either case, Russia will be a major threat to Latvian defense and the United States will naturally work closely with the country to ensure Latvia's continued security.

In the very near-term, the United States and Latvia signed a bilateral defense cooperation agreement in 2019. Similar agreements were signed by Lithuania and Estonia, tailored to each country. This agreement serves as a strategic roadmap for 2019 to 2024. Although

the text is not public, what is known about the roadmap's contents include "training, exercises, and multilateral operations; improving maritime domain awareness in the Baltic Sea; improving regional intelligence-sharing, surveillance, and early warning capabilities; and building cybersecurity capabilities".²⁹ It is unclear where this agreement stands in light of the Russian invasion of Ukraine – it is in the Biden administration's interest to update this roadmap to reflect the new security dynamic in Europe. Codifying this roadmap before the next cycle of US presidential elections will enshrine Latvian-US defense cooperation through 2024 and beyond.

In addition to this preparation for bilateral cooperation, NATO has undergone extensive inflections in the run-up to its NATO 2030 planning. In December 2019, NATO leaders prompted a forward-looking reflection process on the state of the Alliance.³⁰ The resulting NATO 2030 pledge sought to reinvigorate the Alliance at a time when its mandate was increasingly called into question. Looking back at the consultations, promises, and actions pinned together under the NATO 2030 banner, it all seems to be upended by Russia's invasion of Ukraine. Similar to the bilateral roadmap, NATO 2030 should be re-evaluated and, arguably, enhanced in its scope and depth. There is unprecedented support for defense investment on the European continent now that war has returned, offering a rare opportunity to better position the Alliance for generations to come.

Conclusion

At the EU level, defense cooperation will continue to deepen between Latvia and its fellow member states in the years to come. Increasingly, Washington decision makers are realizing the EU has strategic ambitions. Ensuring that strategic autonomy continues to promote Western defense integration is fundamental. It is vital that in Washington the term "strategic autonomy" does not become synonymous with "decoupling". Now is not the time to pull away from one another, but rather to stand united against the shared challenge of Russia, China, and authoritarianism.

Looking at the previous hundred years of Latvian-US defense cooperation, it is clear that Russia, in both the Cold War and today,

has been the largest existential threat to both nations. In the next hundred years, new threats will emerge, more complex threats requiring even greater cooperation across the Atlantic. From a rising China to new technologies offering both tremendous potential and peril, a ballooning world population putting a strain on resources and environmental challenges continuing unabated, the United States and Latvia must deepen their cooperation to best face this new era of European security, together.

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Economics and Energy

Latvia and the USA: Into the next centenary

Romāns Putāns

Today, around the centenary of diplomatic relations between Latvia and the USA, economic relations in its classical meaning between Latvia and the USA are not at a globally or regionally significant level for both parties. But surely the lion's share of everything else – including socio-economic governance principles – is, which undoubtedly has had and still has a compelling impact on economics and related areas as well.

In this chapter, we'll explore the evolution of economic relations and cooperation between Latvia and the USA, and more particularly the evolution of socio-economic governance thought and the application thereof, which, as we shall see, may not have a significant impact on economic quantifiables, but has definitely ensured the principally common and always aligned path of progress of the two countries in both their bilateral relations and in their coordinated approach to global challenges and economic opportunities. The chapter is concluded by a few forward-looking perceptions continuing these topicalities, and some hypotheses will be highlighted for the possible further evolution of socio-economic governance and cooperation in a wider spectrum.

A brief history of economic relations between Latvia and the United States

Although the Latvian–US official diplomatic relationship was established in 1922, their economic and other relations, though at a small scale, were already present before that – this was confined to US trade with Tsarist Russia, in which by the end 19th century Riga had become the third largest industrial center.¹ On the one hand, one could say that Latvia's and the United States' relationship, and the economic dimension, has not changed much during the last century – and this would not be an

unjust statement: economically it is comparatively small and narrow, with gradually growing mutual foreign trade for both sides' economies; it is rather open, but also carefully regulated and supervised in terms of investment and the mobility of people; it features good and well-sustained political and cultural relations based on ancient Greek, and thus Western, democratic values; it is friendly, supportive, understanding, and communicative; and there are other solid arguments that the good relationship and the economic dimension between the two countries is well-sustained and will continue being so on a certain level.

On the other hand, however, one could clearly notice changes and expansions in our diplomatic international relations, including those of an economic nature. The evidence that shows these expansions and changes differs depending on the time period in observation, but surely it is there – consider today's global economy, with US-based tech-giants operating also in Europe (including in Latvia); dynamic mutual external trade and foreign investments with ups and downs; and shifts in the external trade balance and thus a change in buyer (customer) roles over the last century (see Figure 1 below), which in turn impacts the economy. For example, the merely moderate increase in Latvia's total exports in 2018 was mostly influenced by an increase in the export of mechanisms and devices to the USA² (see the spike in the third chart of Figure 1). Overall, the discussion clearly shows economic relations that are truly dynamic. The quantifiables of economic relations between Latvia and the United States essentially demonstrate the above-mentioned considerations of dynamic-but-not-large-scale economic cooperation, e.g., see Figure 1 below on Latvian foreign trade with the United States during the periods of 1920–1940 and 1994–2022.

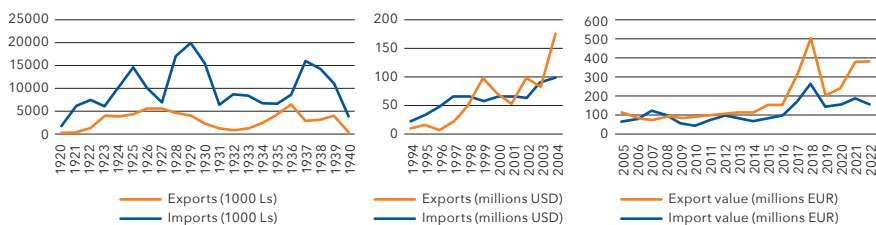


Figure 1. Latvian foreign trade with the United States, 1920–1940, 1994–2004 and 2005–2022. Sources: Karnups, 2017³ on 1920–1940, World Bank, 2022⁴ on 1994–2004 and Central Statistical Bureau of Latvia, 2022⁵ (visual compilation by author).

With several noteworthy exceptions in the 1990s after the regaining of Latvia's independence and thus the transformation of the economy and all of its complex systems, as well as couple of years in the 2000s around the global financial crisis, Latvia's trade balance with the United States has largely been positive, but also largely not-too-far from a zero-sum equilibrium. It has also been going along in tune with global developments in economic sectors and technologies respective of their times. Thus, for instance, in the 1920–1940 period, trade was mostly in the areas of agriculture, textiles and machinery products, while in the 1990s trade restarted with chemicals, electronics, intermediate goods, and byproducts, and in turn in the 2000s trade broadened with radar apparatuses, smartphones, other products for the transmission or reception of voice, images or other data communication in a wired or wireless network.

Comparably to external trade, another important element of economic relations – namely foreign investment and its descriptive quantifiables in Latvia from the United States – shows a similarly patterned landscape: comparatively mild in scope and dynamics, with few ups and downs (see Figure 2). The variety of economic sectors and economic activities within the investment framework is quite broad – start-ups, banks, funds, real estate, technologies, IT services, production (including chemicals and agriculture), and more. The amount of investment is similarly broad – e.g. from EUR 1 (one euro) to EUR 5 million EUR in 2022 and from EUR 7 to nearly EUR 500,000 in 1991; what is also noteworthy is that among the comparatively low number of investors – just a few hundred in the 1990s and in 2019–2022, and slightly above 1000 in the 2000s – there is

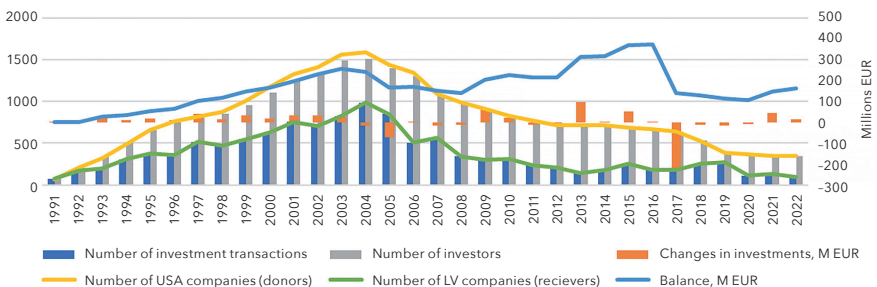


Figure 2. Foreign investment in Latvia from the USA, 1991-2022.

Source: Author-made data visualization based on Lursfot, 2022.⁷

a visible number of private investors,⁶ showing that economic relations between the two countries embraces not only public, business and legal ties, but also individual, personal investors.

To sum up, the quantifiables of economic relations between Latvia and the United States and the above-mentioned considerations are dynamic, but there is a comparatively low level of economic cooperation. At the same time, in addition to the ripple effects of trade and investments, Latvia and the USA have signed treaties on investment, trade, intellectual property protection, and the avoidance of double taxation.⁸ Moreover, technological advancements and their added value for further expansions, as well as developments in science and their practical implications in (and related to) economics over the last century, undoubtedly have had an impact on economic developments, including in the political economy and in socio-economics. What's noteworthy is that this impact touches both countries in their roles in the global economy.

At the time when concepts such as more modern management science and strategic development were developed in the middle of the 20th century – or when in the second half of the 20th century the beginning of public administration reforms, including *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*, manifested with the large contribution of scientists, thinkers, and practitioners from the United States (Peter F. Drucker, Philip Kotler, Philip Selznick, Ted Gaebler, David E. Osborne, and many others) – Latvia was on the other side of the Iron Curtain and these ideas were not particularly closely followed in policy at the time. However, along with the independence of Latvia and thus the restoration of Latvia's democratic development in 1991, economic, social management, and scientific knowledge and ideas developed in Western democracies entered Latvia and prompted its socio-economic transformation and development, which has clearly influenced the overall democratic development course of Latvia, as well as relations between Latvia and the USA, including the nature of economic and scientific dualism and also practical equality, which must be acknowledged to have influenced the socio-economic development of both Latvia and the United States.

Existing challenges and opportunities

When talking about currently existing challenges and opportunities in the Latvia–USA economic relationship, these must be looked at largely through the countries' cooperation with and membership in regional blocs and international organizations in which one or both countries are members, namely the European Union, NATO, the OECD, the UN, the Three Seas Initiative, and others. Also, in these current times, with a large number of various global crises – political, democratic, sovereign, military, energy, food, and many others – the Latvia-USA economic relationship, including its challenges and opportunities, would need to be explored through structured classification. In this chapter we look at the classification of a) bilateral and internal cooperation opportunities and challenges between the USA and Latvia, keeping in mind that Latvia is a member of the EU, and b) joint challenges that both countries face and address together in the global context, including via membership in NATO, with fewer but still some opportunities to take.

As for bilateral and internal cooperation opportunities and challenges, some of the current and comparatively recent, most visible, and also most interesting relate to, for instance, the end of TTIP talks, including different views on comparatively smaller (but at the same time important) public elements of it such as GMOs, data privacy, social security standards; and the current progress with TTC, climate aspects including the Kyoto protocol and Paris agreement, the digital economy and international taxation in it (as well as the digitalization of the economy itself), US tech giants in the EU and Latvia, Latvia's few companies in the USA and its start-up ecosystem (including one unicorn), national debt concepts, the share of GDP spent on military defense, and the EU's Green Deal. Many of these dimensions and contexts, despite previously being areas of cooperation, also indicate differences in the socio-economic and political systems – the biggest ones are at the political and state level, because paradoxically, they have much more in common (or perhaps simply known) at that higher level than at the practical everyday-lives level, including social and economic culture and habits, some of which reveal several differences between people in Latvia and the USA.

The United States is perceived as a strong, important, and integral partner for Latvia's international interests. However, such a perception

is not fully unambiguous. According to a public opinion poll in Latvia by the International Republican Institute in 2020,⁹ as much as 67% of the Latvian population *strongly agree or somewhat agree that Latvia's interests are best served by maintaining strong relations with the United States* (25% and 42%, respectively). At the same time, an equal perception exists about relations with China (17% and 45%, respectively), and both countries are behind the Nordic countries, the European Union, NATO, and Russia, the latter, however, with decreasing public goodwill in 2022.¹⁰

Furthermore, according to the very same poll, only 11% of Latvians agree that the *United States is a reliable partner for European security, and its presence in Europe contributes to peace and security*, while 37% feel that the *United States is a reliable partner for European security, but European countries should not be so reliant on the US for defense*, and 40% have a doubtful (21%) or opposing (19%) opinion about the United States' role in European security.¹¹ The matter of increasing European reliance on the United States is also slowly but increasingly manifesting in other areas of EU and US socio-economic and geopolitical partnerships, e.g. energy^{12,13,14} and peace,¹⁵ particularly now in the context of Ukraine.¹⁶ Although at most times and in most cases it has been and continues to be a sign of strong cooperation for peace, stability, and democracy, it also opens debates about EU strategic autonomy, in which Latvia – being an integral member but also a small, open economy – participates with high attention and caution. The EU and USA teaming up to decrease the EU's energy dependence on Russia may be principally compared to the EU and USA *ganging up*¹⁷ on China after the EU-US trade war truce, which in the context of existing challenges and opportunities has not been entirely solved.

In relation to existing economic relations opportunities in the bilateral economic cooperation dimension, one of the emerging things to be mentioned is startup ecosystems. While the United States is the number one start-up ecosystem globally and an investment donor country, Latvia holds a noteworthy 43rd place in the ranking of the global top 100 countries and is number 8 (and growing) in Eastern Europe, with its capital Riga ranking number 197 out of the 1,000 best cities for startups.¹⁸ In 2021, together with the neighboring Baltic States, the three startup ecosystems generated almost EUR 1 billion in revenues,¹⁹ which for the three open, small economies and emerging startup ecosystems

has a considerable positive effect on the national economies, including by streamlining the attraction of further investments. According to sifted.eu, a media brand for the European startup community backed by the *Financial Times*, in 2021 Latvia was named the most startup-friendly country in the world,²⁰ which together with the US startup ecosystem in Silicon Valley created Latvia's first unicorn, Printful.

On the Global Innovation Index, Latvia ranks 41 and the US ranks 2.²¹ As an emerging startup ecosystem, for several of the in-depth analysis indicators Latvia shows equally high results (and sometimes higher) as the United States, which is the number one startup ecosystem in the world; for example, Latvia excels in knowledge-intensive employment, women employed with advanced degrees, the percentage of gross expenditure on R&D financed from abroad, ICT services imports, FDI net inflows, and other areas. This shows the opportunities and potential for further increased economic cooperation in the modern economy.

In relation to Latvia's and the USA's joint challenges and opportunities, the following should be mentioned: global peace and stability, including now support for Ukraine,²² energy, the climate, demography, addressing economics' fundamental problem on resource allocation, including its scientific and technological aspects, and geopolitical developments such as global economic relations with China. Likely in all of the mentioned dimensions, Latvia and the USA see and relate to one another as important partners, acknowledging that bilateral and wider joint cooperation is integral and crucial.

Forward-looking perspectives of the next century of LV–US relations

Presumably, Latvia's and the United States' economic relations in the upcoming decades and the whole next century will essentially follow at least one major principle that history has shown – they will continue in tune with the spirit of the era, meaning the economic relations between the two countries will evolve according to the global developments respective of their times. This in all probability includes the fundamental values of democracy that both countries have been trying to nourish and cultivate, thus creating a culture which is a reasonably sustainable form of evolution. The culture of democracy

and economics in the Western world, which Latvia will continue to belong to, will undergo changes that we can see have started already now, when for instance talking about polarization, democratic deficits, or a crisis of democracy and sovereignty. It shall settle between social and conservative capitalism within a democracy that can defend itself. This is already impacting, and will of course further impact, the economy and the methods, models, and perceptions of entrepreneurship. As already stated, it will shift further from what is currently called a "liberal economy" to a co-produced and polycentric socio-economic organization that is largely digital. Overall, it will grow closer and closer to public administration – the processes that we've all known as the political economy and public administration reforms – transforming into broader societal governance changes that will include larger societal self-organization and polycentric governance – again, these theoretical concepts are developing with the contributions of American economists and scientists. Such changes, however, will only come after the solutions to the current democracy and freedom crisis are settled, with most likely some paradigm shifts arising from it, which will doubtlessly impact economic doctrines. The United States is and will continue to play an important role in all of these shifts, changes and fights, as will Latvia together with other nations based on ancient Greek and Roman and modern Western democratic values, particularly in Eastern Europe (the post-Soviet countries) and particularly the Baltic States, which Latvia belongs to, as well as democratic nations in Asia, which play an inseparable role in global economics and production, supply, and logistical chains, as currently seen for example in the production of microprocessors.

Looking at Latvia's and the United States' economic relations in the upcoming decades, we shall most likely see an increase in cooperation activity in newer economic forms, models, innovations, and novelties, including those of start-ups, scale-ups, crypto, blockchain, fin-tech, likely med-tech, and others. Given the gravity equation in international trade and the physical distance between Latvia and the United States, bilateral economic cooperation shall remain mainly in areas and forms that do not require the exchange of large or heavy objects – this will continue to include but not be limited to services, labor, people, and capital. Financially, bilateral cooperation will grow because the level of trade and investments shall increase. These likely scenarios

and forward-looking perceptions will predominantly depend on the EU's general strategic developments, including its technological advancement and incentive abilities, and the union's relations with the United States, as well as, of course, on the US's internal and external policies and any changes therein due to both external global geopolitical interventions and domestic policy shifts.

A few of the possible most pressing matters economically between Latvia (to a very large extent as a member of the EU) and the United States in the upcoming decades and the whole next century shall be a) energy trade, b) digital economy, which will include challenges of taxation, market share, competition and regulations, and c) further public administration reforms, or more precisely, societal and economic governance transformation. The latter on the one hand will open opportunities for addressing the energy trade and digital economy challenges, but on the other hand will also create tensions, spill-over, and ripple effects in the compatibility of the perceptions of governance methods.

Conclusions

In marking the first centenary of diplomatic relations between Latvia and the USA, we mark good foundations for the next years to come. The upcoming century may not be easier than the one we have just experienced, but we have surely built, sustained, and proved in practice the fundamental principles of our cooperation, including those for economic cooperation, based on democratic values, mutual respect and a common vision of coordinated joint actions and approaches to global challenges to strive for peace and welfare. The work must be continued and, given the world we now live in with its many uncertainties, unpredictability, and challenges, both parties must work and show progress in their domestic and international performance. Some homework should be mentioned – for instance, for Latvia this would be to incentivize and make progress on the efficiency of the business environment and cutting red tape, which includes also smart and active participation in the development of the EU single market. This should be aimed at making the entrepreneurship environment efficient and attractive for domestic and foreign investors.

Latvia must use its competitive advantages in the process, e.g. through market profiling on startups; Latvia has an emerging, good and internationally recognized ecosystem and numerous success stories, a comparatively highly educated and mostly multilingual workforce, a large diaspora, and other advantages. The United States, on the other hand, should continue to further its work on the EU–US Trade and Technology Council to promote transatlantic trade and economic cooperation, and its coordinated governances, which can then be used for increased investments. Both parties should also strongly keep on improving general education (formal, informal, lifelong learning, societal, cultural) to facilitate their societies' abilities to live and prosper in the changing world by understanding its fundamentals in the societal, economic, and political dimensions. They shall become more and more interconnected – both in terms of these concepts and their practical application within open societies. Our efforts toward a democracy that can defend itself will require harder work than we have shown in the last decades.

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Economic development in the United States and impacts on the same for Latvia

Jeffrey W. Sommers

Latvia became a state at the point when the US pivoted from isolationism from European affairs and protectionism to engagement with Europe and movement toward trade liberalization. The year 1917 marks this turn, which was quickly followed by Latvian independence. In that year, the US entered World War I in Europe, opposed the Soviet Union (USSR), and quickly thereafter came to support Latvia in its independence, which was achieved in 1920. America also transitioned away from territorial expansion at this time, while vastly expanding its military, and it used this power to check the expansion of the communist bloc after World War II. Simultaneously, the US took leadership, both economically and militarily, in creating a robust capitalist bloc of states under a dollar-gold standard with the Bretton Woods Order (BWO) after World War II, which privileged national manufacturing economies over finance. Occupied by the USSR, Latvia missed this phase of the global economy.

A half century back, the US (and world) capitalist bloc managed through a period of crises in the 1970s that saw the US turn away from the BWO-embedded liberal order. The US dumped the dollar-gold standard for a floating dollar, remade the dollar as a global reserve currency, embraced financialization as Fordist (manufacturing) national economies matured and stagnated, promoted supply-side tax policies, and advanced the “Washington Consensus” for reorienting economies away from national industrial development toward globalization. This is the world Latvia was reborn into with the dissolution of the USSR. This initially imposed hardships on Latvia, but it led to improvements for many, and then for most. Yet, for the US and Latvia alike – unlike the BWO period, which saw no financial

shocks – this new era was marked by ongoing financial booms and busts, although with a *belle époque* of remarkable wage, commodity and goods price stability.

The United States sought to create a liberalized economic (and political) world order. America set out on this policy path in the 1980s in response to contradictions arising from the post-World War II Bretton Woods Order that necessitated not only a restructuring of its own economy, but also as much of the world economy as possible. Latvia's renewed independence occurred precisely during the early period of this US-led restructuring, and thus Latvia's economy was re-structured along these principles as it took cues from the United States on how to develop, given that the US was a successful market economy as well as a militarily powerful state that could enhance Latvia's security through eventual NATO membership.

Yet, this liberal system is now challenged by an increasingly assertive Russia. Meanwhile, China, which is many times more powerful than Russia under Xi Jinping, risks moving away from Deng Xiao Ping's admonition to "hide one's strength and bide one's time". Tensions with China over Taiwan and the failure of the US to implement the Trans-Pacific Partnership agreement risk the possibility of the Thucydides Trap being realized. Latvia, meanwhile, sits at the western crossroads of this Eurasian set of economic and geopolitical challenges. And it is these very security concerns, along with supply-chain disruptions to global trade, that are leading the US and EU to rethink the degrees to which they are exposed to these chains of trade, and they now look to shorten and diversify by building "supply-chain resilience".

The US liberal order implies the free flow of capital, goods and labor. In principle, the US seeks to advance these goals through a "coalition of the willing", but there are important caveats, if not exceptions, in which pressure, if not force, can come into play to maintain this liberal system. This chapter details the contours of present and future US economic policy goals generally before moving our lens to focus on regional priorities and then on Latvia itself. Chronologically, this chapter surveys past US and Latvia relations and then moves up to the present to grasp contemporary, if not future, trends shaping the economies of both states.

Present and future challenges center on regaining price stability, transitioning to green energy, shortening supply chains, managing

relations with Russia and China, and, for Latvia, escaping the “middle-income trap”. Below are presented three phases of the evolution of economic development in United States economic crisis of the 1970s and its turn toward globalization, and how this conditioned the economic policies developed by Latvia in its break from the USSR. It then concludes with recommended policy directions.

Phase 1 (1990-2007): US recovery, reorientation, and renewed Latvian independence

The (neo)liberal economic policies advanced by the US and Latvia alike in the 1990s were at variance with those in play for both countries during much of the inter-war period marking Latvia’s first period of independence, not to mention those prevailing in the US and Western Europe after World War II. The unraveling of the post-WWII Bretton Woods system and the embedded liberal orders in the 1970s, however, are critical factors for understanding the policy choices advanced by the United States and embraced by Latvia at the point of its renewed independence in the 1990s. The 1970s were a time of economic and political crisis in the US. The embedded liberal BWO showed signs of strain in the late 1960s as heavy US spending on its Vietnam War and increased social spending at home, plus tax cuts, led decreasing international confidence in the dollar and decreasing profit levels. In 1971, the US moved off the dollar-gold standard, thus exporting inflation to other countries while making American exports more internationally competitive through the dollar’s devaluation. The US followed up with three more competitive devaluations of the dollar in the 1970s, at the expense of its allies, especially Germany, whose exports became less competitively priced. The next hit to the US economy was the oil crisis of 1973, which increased oil prices by 300% and then another 700% as the decade progressed.¹ Economies then were nearly twice as energy inefficient as today, and thus the price shock was commensurately more intense. This led to commodity price spikes generally and an ensuing wage price inflationary spiral. Additionally, the commodity price spike improved the Soviet Union’s balance sheet, while leading to challenges to US leadership generally. Moreover, at home, Harvard’s famed political scientist, Samuel Huntington, termed the 1970s as a “crisis

of democracy”, by which he meant there was too much democracy at home and abroad, thus creating economic and political strains.²

The US responded to the economic crisis through a combination of experimentation, opportunism, and planning. Currency devaluation failed to fix the US economy. Rampant inflation plagued the US economy by the end of the 1970s. The US responded with Paul Volcker’s monetary shock (constraining the dollar supply). This threw the US, and then much of the world, into recession, with wage growth slowing, and then actively being suppressed under Reagan. Meanwhile, taxes were cut under the supply-side assumption that this would liberate capital for investment in research and development to renew slackening innovation. Moreover, offshore banking, previously suppressed, was now tolerated, if not encouraged, to encourage governments to keep tax rates low. Demand for commodities was reduced by the Volcker shock, and thus prices plummeted. In short, inflation was slayed. Moreover, the US came out the other side of the crisis in the 1980s as the world’s safest place to invest, thus the US could attract investors for its government debt. Moreover, the US convinced the world’s then-largest oil exporter (Saudi Arabia) to price oil in dollars, thus creating a global oil market priced in dollars. In short, the old dollar-gold standard was now replaced by a petrodollar in the 1980s. As future Vice-President Dick Cheney of the United States would comment, “Reagan proved [US government] deficits don’t matter”.³

Thus, the United States economy was transformed from an embedded liberal order and Fordist manufacturing powerhouse with high taxes and support for infrastructural investments, to a new system based on wage suppression, offshoring manufacturing, reduced taxes, higher inequality, financialization based on stock market performance, a strong dollar, and attracting foreign investment. Additionally, the US pivoted to strengths that would be supported by stronger intellectual property rights (IPR), such as branding, pharmaceuticals, software, entertainment, etc. In short, the United States created an entertainment, finance, and tech economy, while its corporations largely outsourced manufacturing while retaining the more profitable “headquarter functions” of R&D and branding.

Meanwhile, the Soviet economy floundered in the 1980s, thus facilitating Latvia’s second independence. The 1990s differed from Latvia’s inter-war independence in that scales of economies had

changed. Before the 1980s, states could sustain national champions chiefly serving domestic economies. Now, they rarely could, and the post-WWII embedded liberal Fordist organization of economies and societies was discouraged by Washington as an impediment to globalization. The supply-side, economically liberal, “freshwater” school of economics now in vogue – embodied in the 10-point “Washington Consensus” program for developing states – was brought to Latvia by Georgetown economist Juris Viksnins and his self-branded “Georgetown Gang”.

The “gang” mentored a group of young policymakers, including Ivars Godmanis, Einars Repse, and Ilmars Rimsevics, who shaped Latvian economic policy for the next quarter century. A hyper-liberalized economy was fashioned that eschewed industrial policy and planning in favor of creating macro-economic stability and a strong currency that purportedly would attract foreign direct investment (FDI). Moreover, Repse’s plans for transforming Latvia into an offshore banking sector, building on its transit business serving former Soviet republics, are well known. Latvia already had the first legal currency exchange in the USSR, with Valerijs Kargins and Viktors Krasovickis heading the operation that became Parex Bank. This was encouraged in the 1990s by the US, as that decade saw as much as 250 billion USD from the former USSR sent abroad, including into the US’s financial sector, much of it through these Latvian intermediary institutions.⁴ Yet, the forecasted FDI for Latvia never arrived in the 1990s.

Latvia’s economy returned to robust growth in 1996 following a 35% drop with the collapse of the USSR and the crash of Banka Baltija’s speculative operation in 1995. The economy then slowed due to the impact of the 1998 Russia ruble crisis that rippled through Latvia. But with EU and NATO accession in May 2004, money poured in from abroad. Unfortunately, rather than going to productive enterprises, the majority went to lending that inflated property prices above income levels that could sustain debt-service payments. Latvia became known as one of the Baltic Tiger economies in this period, as GDP growth in 2005–2007 averaged over 10% a year.⁵ Then, the bottom dropped out of Latvia’s economy again.

Phase 2 (2008-present): Financial crash and turbulence

Without getting into the weeds of “repo markets” and the minutiae of how the financial markets unraveled in September 2008, the US economy more broadly succumbed to the contradictions of the “neoliberal” model forged in the 1980s. This economic order depended on alternating periods of public debt and the extension of private credit to individuals to sustain consumption at parity with levels of production that were greater than the suppressed wages available to consume them. Yet, ultimately, debts come due. The 21st century has seen contradictions of debt-financed consumption (which is qualitatively different from debt financing investment) papered over by ever-increasing levels of debt and asset inflation enabled by money creation. This all went bust in 2008. Restructuring after 2008 somewhat differed from the pre-2008 economy. Initially, the US responded to the 2008 crash with government spending (stimulus) to pull the economy out of its crisis. But, given that the US Congress refused to sufficiently spend on an investment-led recovery, the Federal Reserve had to fill the gap by waterboarding the financial sector with cash, largely through buying bad assets on their balance sheets. The vast quantities of cash pushed through the financial sector, however, worked to drive asset prices up to new atmospheric highs.

Meanwhile, in the two years after the financial shock, Latvia saw the world’s largest economic contraction at almost 25% of GDP.⁶ Larger property taxes before 2008 would have muted asset inflation. Failing that, the financial crash and non-serviceable debts to banks foreign and domestic were massive. Latvia quickly acted to save its financial sector. A massive bailout of depositors in its biggest domestic bank – Parex – was made, chiefly to protect wealthy foreign depositors and thus Latvia’s reputation as a safe site for correspondent banking, even if the bank went bust. A banking run on deposits in the Swedish bank SEB began to form in the autumn of 2008, and thus Latvia’s stand to defend the banks prevented a contagion effect that could have toppled foreign banks in Latvia as well.

Latvian policymakers were hard-pressed to replace currency previously funneled in from foreign banks. Two chief measures were undertaken to address it. One was to increase forestry exports. Soviet

policy had converted much Latvian agricultural land to forestry. Thus, following 2008, with roughly half of this in state hands, forests represented an “account” that could be drawn down to partially pay Latvia’s bills.⁷ The other was “internal devaluation”, which drove down wages to address trade imbalances. Internal devaluation by pushing down public sector wages was controversial. The material deprivation rate for children rose to 48.5% in 2010, and unemployment rose as demand was taken out of the economy.⁸ This resulted in a significant exodus of working- and birthing-age adults, creating a demographic hole still unfilled today. Moreover, many Latvians live more poorly than its GDP suggests. The usefulness of GDP as an indicator varies by countries. Given Latvia’s high level of foreign ownership of enterprises, much of its GDP is exported as profits to company home countries. A better indicator of Latvia’s available income is its Net National Income (NNI), which hints at more progress needed to develop Latvia’s economy.

Phase 3 (forward): Escaping the middle-income trap: Policy recommendations for Latvia

Economic linkages between the United States and Latvia have been small and likely will remain so. Yet, this does not mean they can’t grow and have an impact. Geo-political events have forged enduring linkages between the United States and Latvia since 1991. Going forward, the US–Latvia relationship looks to be stronger still, given increasing tensions with Russia. Cooperation among NATO members provides opportunities for Latvia to fill military procurement needs in areas as diverse as drones, robotics, software, IT, processed food, transit, and other areas. Most important would be for the United States to continue applying support, if not pressure, for Latvia to continue distancing itself from offshore banking activities. This sector has drawn talent away from more productive areas of Latvia’s economy, while encouraging corruption and rent-seeking in its economy generally. The move in 2016 to help Latvia disengage from this sector is arguably the most important economic benefit ever delivered by the United States.

The US financialization model looks to be losing vigor, with implications for both it and its relations with Latvia. The Saudis are now

accepting payment for oil in currencies other than the dollar. Many countries either are not buying new US Treasury Bills or even slowly selling off what they have. And American manufacturing has been hollowed out by four decades of offshoring. Stretched-out supply-chain disruptions from Covid-19 and tensions with a China still rising have led the US to partially rethink globalization. The US remains committed to a liberal economic order, yet it now recognizes its fragility and the threats to security if overdone. That said, President Donald Trump failed to implement President Barack Obama's Trans-Pacific Partnership (TPP) to create a US-Asian-Pacific trading bloc, and Trump's alternate plan of anti-China tariffs failed to significantly boost the US economy or hold China back, and under President Joseph Biden it appears too late to use the TPP to hold China back. Tech, intellectual property rights and headquarter functions (TIPRHF) are where the US economy is best holding up. For example, in the high-value-added computer, electronics, and optical equipment sectors, the US still has the best sales-to-profit ratio of any major global economy, with the US taking over 40% of global profits here on only a bit over 20% of global sales. Meanwhile, China has over 25% of global sales here, but only 13% of global profits.⁹ Meanwhile, the profit-to-sales ratios for nearly all EU countries in this sector remains only roughly even. The lesson is clear: the TIPRHF model has reaped a profits windfall for the United States, however, an overemphasis on financialization (including offshore banking) has proven less durable, if not outright dangerous, for creating value in both the US and Latvian economies. This US policy pivot will likely require changes to US policy oriented toward reduced reliance on the financial sector for profits and moving toward greater integration of its production of goods and services with allied states, such as Latvia.

Meanwhile, Russia's invasion of Ukraine has destabilized the global economy. Soviet, then post-Soviet, cheap raw materials helped bring developed economies out of the stagflation crisis of the 1970s. Current moves to sanction Russia and Russia's pivot to Asia and the Global South risk plunging the global economy into a prolonged period of low growth. Yet, this same challenge could accelerate a transition to a green economy, thus proving to be a net benefit in the long run. Tensions with Russia also favor Latvia's ability to attract both investment and better rules and regulations from the United States and Brussels.

The United States is also positioned to back-fill holes in natural gas supplies previously supplied by Russia. Of course, this gas comes at significantly higher prices. Yet, these higher prices can incentivize Latvian efforts to conserve energy through more wide-spread insulation of buildings, to produce more energy from biomass, to create more geothermal, solar and wind power, and eventually to transition off fossil fuels. The United States should consider pressuring its energy companies that use public leased lands for sourcing gas to provide it at no more than 5% over the cost of production to NATO member countries that have lost access to Russian energy.

Bright spots in Latvia's economy over the past decade have been in the growth of foreign back-office operations, IT, and parts and components manufacturing serving European-wide supply chains. Latvia's start-up firm growth is also promising. This all speaks to the increasing complexity of Latvia's economy, which more can be built upon.

Latvia would be well-advised to use all the tools at its disposal to develop headquarter function activities to secure greater profits. Doing so will require far greater investments in R&D than Latvia's current very small 0.7% of GDP, using state development banks to create investment capital at rates below what private banks lend at, and then determine how to keep "national champions" and "unicorn" break-out firms from being bought out by international capital.¹⁰

But for Latvia escape the middle-income trap and realize its full potential will require changes to its tax policy and the creation of a more comprehensive industrial policy. The successful implementation of these reforms will create a stronger, more stable US ally on the Belarusian and Russian border, while also attracting more US investment.

Tax policy

Latvia's tax policy should be made more progressive. Higher-value properties and capital should be taxed more, and labor less. Latvia's current tax structure has generated too little complexity in Latvia's economy, and has instead encouraged a mix of foreign investment geared towards sales market penetration (import-intensive global brand marketing infrastructure), access to raw material inputs (Nordic investment in Latvian forests and farmlands), monopolization (the

privatization of infrastructure companies), and asset speculation (real estate bubbles fueled by commercial banking). As a result, the structure of the Latvian economy remains unsustainable and lacks resilience against both sudden macroeconomic shocks (such as Covid-19) as well as cyclical fluctuations. A shift of the tax burden away from labor (work) and the real economy onto high-value real estate (land, in particular), capital gains and other rentier income, inheritance, and unproductive consumption would go a long way to promoting a more sustainable economic structure. This would create a favorable environment for industrialization, as well as combating wealth and income inequality and insulating the economy from toxic financialization. Singapore, Hong Kong, Australia, and others have examples of land taxation that promotes a more territorially balanced national development, ensuring a more efficient use of land. This has constrained real estate speculation and rentier windfall income, lowered taxes on labor, and generated tax income to finance a modern welfare state. This is a key prerequisite for the development of Latvia's people and their potential, which might lessen emigration as well as facilitate births, all of which would also generate more tax revenue.

Industrial policy

Latvia requires a comprehensive, proactive, and mission-oriented national development policy that mobilizes state support in line with EU state aid and industrial development guidelines, to bolster economic activities – “national champions” – that would promote Latvia's transformation into a more modern, sustainable, diversified, socially responsible, and digitally enabled economy. Among the criteria for selecting economic activities, segments, or companies for targeted national industrial support, one might include:

- scalability
- added value
- commercial viability
- quality of corporate governance
- complexity and technological intensity
- tax and ownership transparency and reputation
- sustainable employment and human development with a growing wage level.

With examples ranging from Germany to South Korea, an ambitious mission-oriented national development bank is an indispensable tool for the promotion of national development as part of a wider industrial strategy. A full-fledged national development bank (likely based on Latvia's state-owned development finance institution, ALTUM) should also serve as a vehicle of the coordinated distribution and investment of available EU structural funding towards key focus areas, including the EU horizontal priorities of digitalization and green transformation. Additionally, to further promote access to finance while balancing out the exorbitant transaction fees of the commercial banking sector, Latvia must promote a more active development of cooperative lending institutions, not least as a key pillar in promoting forestry and agricultural cooperation, as well as postal banking; this would also help to reduce loan shark activity.

Industrial policy must go hand-in-hand with the development of a comprehensive national innovation system, with OECD best practice guidelines in mind and through a close tripartite collaboration between the state, the private sector and academia. Industrial policy must be further cemented by an active employment policy, with full employment as the main macroeconomic objective, featuring subsidized on-the-job training and other forms of job guarantees to establish a minimum threshold for sustainable employment conditions. Other – highly interdependent – elements in the wider national development toolbox to promote industrial development and long-term economic complexity include high-quality physical and digital connectivity and mobility infrastructure and related integrated public services, the promotion of industrial cooperation and cluster development, industrial zone development, as well as investments in education and healthcare. As a cautionary note, Latvia must avoid overfocusing on start-ups. Highly scalable, innovation-based “unicorns” have a fashionable appeal in the digital age and can indeed drive long-term value. However, it is obvious that systematic startup success is usually the result of highly integrated industrial innovation ecosystems, often anchored around large ultra-competitive enterprises (the San Francisco Bay Area, Berlin's Siemensstadt and Ericsson's Kista campus are important examples) rather than “spark-of-genius” efforts by an individual. Latvia should, therefore, primarily focus on putting in place innovation-nurturing

ecosystems, preferably around its “national champion” activities and companies, while significantly increasing public and private R&D spending. Indeed, Latvia’s current 0.7% of GDP spent on R&D is among the EU’s lowest.¹¹ The good news is that Latvia’s economy saw robust growth averaging over 4% annually in 2017 and 2018, while its economy became more complex in its composition. This increasing sophistication, however, appears to have been more hindered than helped by government policy (and prevailing theories of development in Latvia). In 2019, growth halved from the preceding two years, and 2020 then brought challenges from the Covid-19 pandemic, followed by slippage into negative growth. The pandemic only lightly touched Latvia until October 2020, when there was a dramatic increase in rates and the imposition of a lockdown the following month. Some in government felt that the lockdown was being imposed too early, but set against that is the fact that Latvia only spent 6.3% of GDP on healthcare in 2019, and in earlier austerity years spending had fallen below 6%.¹² This maintenance of Latvia’s health spending at below optimal minimum levels under its neoliberal model left little spare capacity in the event of a public health crisis. Thus, Latvia’s Covid-19 lockdown, and the economic costs thereof, may represent another price of neoliberalism imposed on the country from a lack of investment. The policy changes of the type recommended above could result in economic development that returns Latvia to a growth trajectory.

Latvia has successfully developed from the near total collapse of its economy following the dissolution of the USSR, to a middle-income country today. Latvia has several national champions that currently produce significant value, and they promise, if handled properly, to deliver even more. Shared security concerns by the United States and Latvia can be leveraged to have the former help the latter make its next transition. The first transition was Latvia’s passage from a planned economy to a market economy post-1991. The next step will be to take Latvia from being a middle-income country to a high-income country, thus further strengthening Europe’s border with Russia.¹³

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US–Latvia energy relations: Building on past cooperation and tapping into future potential

Reinis Ābolģiņš

Energy cooperation has always been, currently is, and will continue to be an essential element of international relations. In fact, one can say that energy is international relations. It is just a matter of scale – how big a role does energy relations play in the interaction of two or more countries? Are the countries in a mutually beneficial situation? Are any of the countries in a dependent situation? Who is dominating the relationship? What reasons are there for cooperation in the energy sector? What influence does the global energy relations context have on a particular set of relations? What are energy relations about? Are they about providing primary energy resources? Are they about supplying electricity or fuel? Are they about providing an extra alternative to the existing energy resources and routes of supply? Are they about risk management? What risks need to be managed – economic, social, or political? There are many questions to be asked and answered to get a full picture of relations and to understand the context in which that picture sits. However, the purpose of this overview is not to provide answers to all of the above questions. It is more about mentioning and outlining past, present and future cooperation. The questions are there to trigger thinking about energy as an inalienable element of the world that we exist and function in.

There are certain limitations to this article: it does marginally mention, but it definitely does not elaborate in detail on, barriers to the deployment of various energy technologies in Latvia. It rather raises the curtain a bit to reflect on what cooperation there has already been and, probably more importantly, what potential Latvia's energy market possesses, what developments are to be expected, and what prospects different energy technologies have.

Setting the context

There is a broader context for US–Latvia relations: the US has always been an essential cooperation partner, especially in foreign policy and defense, but cooperation has not been limited to these two areas only. In the energy sector, the relations are characterized not only by the regular cooperation of businesses representing various areas of activity, but by some bigger projects as well. One of the biggest projects, if not the biggest project so far, is the supply of a gas turbine by one of the biggest US energy technology producers for the combined heat and power plant in Riga, thus contributing to the improvement of efficiency and operational safety of a power and heat production unit, which constitutes an essential part of Latvia’s critical (energy) infrastructure.

Latvia’s energy portfolio clearly indicates that in power production, Latvia has so far been relying heavily on two technologies – natural gas-powered CHPPs and large hydroelectric power plants (HPPs).¹ It has also relied on electricity imports. The proportion of these main sources of electricity has varied from season to season depending to a large extent on such factors as the hydrological conditions in the Daugava and the need for district heating in the capital city of Riga. Assets associated with utilizing water and natural gas resources have been well-maintained and upgraded to reach optimal efficiency.

There are numerous smaller power plants, mainly gas-fired and biomass CHPPs, as well as a few smaller wind farms and hydroelectric power plants contributing just a few percent of the annual power supply. The significant reliance on electricity imports is *per se* neither good nor bad. The approximate required maximum capacity on a cold January morning does not even reach 2 GW. Domestic production can comfortably cover circa 1500 MW. Latvia can cover between 40% and 100% of its own demand depending on season: springtime comes with plenty of water and floods, which allows it to produce enough for itself and even to export electricity to neighboring countries. This means that there is good potential for developing significant new distributed renewable energy capacities through exploiting technologies that so far have basically remained a great resource to tap into: just as in many other countries in Europe and other continents, wind and solar PV have increasingly become

the technologies of choice. This is where the local mirrors the global. In terms of the rate of deployment, however, Latvia has significant potential for development.

Past and present

Combined heat and power plants represent a particularly important asset as they ensure that the clients of district heating services stay warm during the heating season. Thus, heat is the primary product of CHPPs, with electricity being a secondary product. The efficiency of CHPPs is higher when heat and electricity are produced at the same time. Currently, highly efficient combined cycle gas turbines are used at Riga CHPP-2, owned by Latvenergo, a Latvian state-owned energy company. The reconstruction of the two production units of Riga CHPP-2 required a sizeable investment. The contract for the supply of a combined-cycle gas turbine for the reconstruction of the second production unit at Riga CHPP-2 was awarded to the experienced US energy technology giant General Electric.² Thus, the biggest cooperation project between Latvia and the US in the energy sector was sealed, ensuring the reliable and effective functioning of the CHPP plant for years to come, given the overall energy system does not experience unexpected external shocks (for example, extremely high natural gas prices, a complete overhaul of the energy production system, etc.) that put gas-fired CHPPs to rest.

Natural gas has had an important role in Latvia's energy portfolio, but the situation is changing. The consumption of natural gas has been and will continue to be decreasing owing largely to energy efficiency measures both in the commercial and household sectors.³ Fuel switch is also gaining an ever-bigger influence – boiler houses are switching over to biomass, and there are many more hybrid energy systems where natural gas, biogas, solar thermal, solar PV and geothermal energy sources are combined to ensure that sufficient and sustainable energy is available for heating as well as power generation. Heat pumps are yet another technology popular in those parts of the world where ensuring heating is a requirement for comfortable living conditions for several months a year. Latvia is no exception, and it represents a thriving market, especially in the household segment of the market.

Natural gas is the main energy resource used for energy production in Latvenergo's CHPPs. Natural gas, apart from the fact that it is a fossil fuel, is a relatively clean and effective resource, which can be used in technologically highly advanced energy production units. The biggest vulnerability of natural gas is the volatility of its price and its proneness to geopolitical influences. Over the course of approximately 18 months, since May 2021, gas prices have experienced truly dramatic changes, swinging from the historically lowest to the historically highest on record.

Russia's war against Ukraine and a purposeful policy of making EU member states dependent on the supply of natural gas from Russia have prompted a revisiting of the usual sources of supply and a search for new supply sources and routes. Latvenergo, which is a company with 100% state-owned capital, has several roles. It is the biggest energy producer in Latvia. It is also the biggest electricity trader, and it is an active trader of natural gas. Although a significant share of natural gas is used by Latvenergo for energy (heat and electricity) production, trading natural gas is a commercial activity with the potential for growth even under the current circumstances of switching away from fossil fuels and investing in energy efficiency, which contributes to decreasing heat consumption.

New cooperation partners can be found in the US. The US has become an important exporter of liquefied natural gas (LNG) over roughly the last 10 years, delivering LNG to markets in East Asia, South America and Europe alike.⁴ Cooperation between the US and European countries in the energy sector is a logical step and a continuation of the close transatlantic relations that have developed since WWII and with the establishment of the NATO. Although the supply of energy resources follows the principles of the free market, there is undeniably an element of relevance of good diplomatic relations when it comes to negotiating LNG supplies to the Baltic States, Latvia included.

While natural gas continues to play an important role in Latvia's energy portfolio, the outstanding nature of LNG supplies remains effective, and the US is an essential cooperation partner in this. In this context, Latvenergo – as the single biggest natural gas consumer, a state capital enterprise and the energy incumbent – plays an important role in executing this cooperation.

This introduction would not be complete without mentioning that cooperation between Latvia and the US in the energy sector goes

back almost 100 years, to the 1930s. In 1932, the American company “The Foundation Company” signed a contract with the government of Latvia. Experts from the US took part in geological research, helping to choose the best place for the HPP as well as helping with the planning of the power plant. Thus, it was thanks to the geological research done by a team of US and Latvian experts that Kegums was selected for building the first ever HPP on the Daugava River. The team of engineers studied the geology and the bedrock of the river along a stretch of approximately 150 kilometers before making the choice. Although cooperation with the company ceased in July 1933 due to the impact of the looming world economic crisis, the work done under the supervision of “The Foundation Company” was by all means significant, as this was the first time when the deeper layers of soil were scientifically researched on such a large scale.⁵

Future perspectives

Whether the cooperation could be expanded remains to be seen; it will depend on the development of the energy sector globally and in Latvia, as well as on the deployment of innovative technologies. There are many US technology producers that could find a market, even if a comparatively small one, in the Baltic States. In terms of the scale of investment, there are two more feasible scenarios: investment in smaller-scale renewable energy projects, or investment in more expensive and longer-term projects like, for example, small modular nuclear reactors (if decision-making is favorable to introducing this kind of technology).

Estonia, Latvia’s northern neighbor, is developing an SMR project together with GE/Hitachi, with the implementation of the project planned in the early 2030s.⁶ To seal their intentions, a memorandum of understanding was signed in August 2022 by Fermi Energia, the company working on the development of nuclear power capacity in Estonia, and the American company NuScale.⁷ Fermi Energia is going to evaluate NuScale’s ground-breaking small modular reactor (SMR) design for deployment in Estonia with the purpose of ensuring the availability of clean, carbon-free energy to replace oil shale as Estonia’s main power source. Discussions in Latvia and Lithuania are ongoing, and

plans for their energy future might lean in favor of nuclear technologies as a way to balance the large investment in the rapid deployment of renewable energy technologies over the course of the next 10-15 years. Nuclear energy is regarded by many as a good option for ensuring the stable and reliable supply of electricity. It is also regarded as especially relevant for providing balance in an age of ever-increasing installations and growing effective capacity of renewable energy technologies.

Owing to the nature of the single biggest project so far, in the future cooperation is going to continue between General Electric and Latvenergo. Latvenergo confirms that the maintenance of the installed CCGT is being carried out with the assistance of technical experts from GE, and this order of affairs is going to remain in place at least until the Riga CHPP-2 Block 2 is operational.⁸ The success of the ongoing cooperation is not to the exclusion of new initiatives and does not mean that there is no place for any other case for cooperation in the energy sector.

The stage for future cooperation is set in no other context than the rapidly changing geopolitical situation in the region, with the Russian Federation clinging on to its old methods of exerting pressure on the countries closest to its borders, as well as throughout Europe, with some big players like Germany, France and Italy included. Dependency on natural gas supplies from Russia has long been the single biggest vulnerability of many European countries, which have now been forced to look for new suppliers.

Both Russia's aggression against Ukraine and the resulting economic sanctions against Russia have impacted global energy prices: the price of natural gas reached its historically highest level in 2022, while just two years ago the price was at its historical low. The price dynamic has been immense, and it sent energy markets into turmoil. Natural gas prices had a direct impact on the costs of district heating in those countries and for those district heating utilities that use natural gas as their main resource for heat production. Heating tariffs skyrocketed and continued to climb at the end of 2022, ahead of a winter season that is regarded by many experts as the most challenging in decades.

There are a variety of things that could remedy the situation: decreasing natural gas imports from Russia; looking for other sources of supply; looking for other routes of supply; switching to another type of fuel if possible; investing in renewable energy technologies;

improving energy efficiency; and optimizing energy consumption. The scale of action definitely matters, as projects aimed at improving microgeneration and projects with a larger capacity are governed by different regulatory frameworks and therefore offer different market opportunities – although some technologies, such as solar PV, can be deployed both on a small scale for microgeneration for self-consumption as well as on a large scale for the industrial production of electricity. Thus, whether there is a marketplace depends on technology. Solar PV has gained significant popularity in Latvia (just as in Estonia and Lithuania) since 2021, with explosive growth in 2022. High electricity prices have contributed to a willingness to invest in renewable power generation. Thus, one can say that there is a good market potential for US companies to supply technology or financing for investment. Global, regional and national climate goals contribute further to the need and opportunity to invest in new generating capacities, be those conventional or non-conventional.

The rise of LNG

The global energy market is as favorable for LNG as it can possibly be. Europe significantly decreasing and cutting off gas supplies by pipeline from Russia has made the business case for LNG truly viable and profitable. When it comes to large-scale developments like the need to replace Russian gas, US natural gas producers represent a solid and reliable opportunity for partnership. With gas production looming and a growing number of LNG liquification facilities in operation and in production, the needs of the small Baltic gas market could be met easily. Prior to the commissioning of the Klaipeda LNG import terminal (FSRU), the Baltic States used to be 100% reliant on Russian pipeline gas supplies. By the end of 2022, the Baltic States were importing practically no natural gas from Russia.

Over the course of just one year, the structure of natural gas imports changed radically, shifting away from pipeline gas from Russia to LNG supplies from various sources across the globe. LNG imports from the US constituted a sizeable share of those. Moreover, these changes have touched Latvia first and foremost, as it used to be the biggest importer of Russian pipeline gas and the laggard among the Baltic States in terms

of opening its natural gas market to competition. Lithuania diversified away from Russian gas right at the moment when the Klaipeda LNG terminal became operational. Symbolically, the FSRU, which ensures the physical operations of LNG regasification operations, carries the name "Independence". Despite the fact that Lithuania is legally not yet part of the Baltic and Finnish common gas market, the Klaipeda LNG terminal is the single most important energy infrastructure project that has been introduced from scratch since the Baltic States regained their independence from the Soviet Union in 1991.

Meanwhile, decision-makers and market participants in Latvia were hesitant to liberalize the gas market and gave in to the strong Russian gas lobby by postponing the introduction of a common Baltic gas market for years. The relevance of a well-functioning regional market became even more obvious with Russia's invasion of Ukraine. The contested Nord Stream and Nord Stream 2 underwater gas pipelines proved to serve one main purpose –Russia gaining and strengthening a grip on EU member states through creating, increasing and retaining control over strategic energy supplies, both in terms of gas transit and its delivery to end users. Nord Stream's purpose has never been to do mutually advantageous business between equal partners. It has never been an economically justified project. For the sake of understanding the context better, it is important to note that the total transfer capacity of both Nord Stream projects consists of two sets of parallel pipelines that can deliver 110 billion cubic meters per year, which is equal to the total volume of natural gas that can be delivered to Western European destinations via Ukraine's transit pipeline system. Everybody knows what happened next.

The Nord Stream pipelines have been a cause for diverging opinions among EU members states about the future role of gas supplies from Russia ever since the project was initiated. Germany, Europe's economic powerhouse, used to be almost a natural partner in business with the Russian Federation. For that, it received plenty of blaming and shaming from the Baltic States and other Central and Eastern European countries. It was almost like the Nord Stream project embodied the "divide and rule" principle that Russia has been so used to utilizing throughout history. After the Nord Stream pipelines were sabotaged and blown up in October 2022,⁹ this geopolitical project ceased to play any instrumental role in Europe's relations with the Russian Federation.

The Baltic States, although they never had any potential involvement in the Nord Stream projects either as recipients of natural gas or as service providers during the construction phase or once the operations commenced, have always maintained the official position that the project is an instrument of economic and political influence working against EU solidarity and making foreign policy, as well as domestic policy, vulnerable to external influence. In this respect, the US and the Baltic nations have always been on the same page.

The blackmailing of European countries with threats to decrease or interrupt the supply of hydrocarbons to European destinations became blatant in 2022 after the collective West demonstrated a surprising ability to stand united against an aggressor state. Although countries like Hungary and Germany demonstrated hesitation, the overall approach by the EU was to decrease the import of natural gas from Russia as much as possible and to diversify sources of supply. In fact, the EU has pursued the path of increasing energy security over the course of at least the last 10 years by implementing a series of strategies, including the European Energy Security Strategy,¹⁰ which served almost like a handbook of what steps need to be taken to get rid of reliance on one single biggest supplier of energy resources.

It must be noted that transatlantic support for risk diversification in the energy sector has been persistent. The US and the Baltic States have been on the same page when it comes to tackling elements of energy dependency stemming from geopolitical influences that aimed to keep the three countries under the influence of Russia for as long as possible. In 2022, the perception of threats associated with dependence on Russia's energy supplies reached new levels of understanding. Political decisions were made, and practical action followed, and Latvia's biggest gas traders took steps to find new natural gas suppliers.

LNG deliveries have become choice number one, with spot deals being preferred over long-term supply deals as the Baltic gas market is small, consumption is falling, and there is no need to secure long-term supply contracts. The global LNG spot market is liquid enough for all buyers to be able to ensure LNG deliveries when needed, with price and affordability remaining the only "what about" issue. In fact, regasification capacity has become the key issue, with traders seeking to secure capacities for the delivery of LNG and for the storage of

natural gas at the Incukalns underground gas storage facility in Latvia before delivering the product to end users.

One challenge remains, though: despite plenty of LNG supply, the demand for this resource is high, and the price the customer is ready to pay for LNG is the ultimate determinant of the direction LNG carriers move in. From the perspective of a European customer, a mild winter in South-East Asia is an ideal situation for being able to buy LNG for attractive spot prices in Amsterdam or other European gas exchanges. A cold winter in China, Taiwan, South Korea, or Japan means high LNG demand in the region and LNG vessels travelling to these prime markets, triggering high LNG prices globally. This is why every new LNG production train going online in the US is important: the demand for LNG in Europe is high and there is definitely a case for business there.

The current global geopolitical context and events taking place in Europe are making smaller players on the global energy market ask a question – can we survive on our own, subject to the rules of a free and competitive market, or should we be looking for strong allies in these turbulent times? Visits of delegations from the Baltic States to the US to meet policymakers, decision-makers and businesses are indicative of strong lobbying efforts. The question is – how can political support and transatlantic diplomacy be translated into action resulting in new business contracts that are based on commercial interest? A bigger project like the supply and maintenance of a CCGT for the Riga CHPP-2 plant is an example of doing business on a larger scale. For this well-known project not to be a stand-alone example of cooperation in the energy sector there has to be a marketplace, as well as the right conditions and opportunities for doing business. The moment for this cannot be more appropriate than 2022 and beyond: the “business as usual” approach has proven to be based on wishful thinking and false assumptions, and it is about time to reset the routes and shift gears to catch up with reality, which has always been out there, but was happily dismissed.

It should be noted that investing in LNG infrastructure in Latvia seemed to be an unlikely scenario just a year ago, as one of the best-known initiatives, the Skulte LNG terminal, struggled to prove the viability of putting money into natural gas as an environmentally and economically sustainable solution to secure and safe energy supplies for customers in Latvia and the wider Baltic-Finnish gas market. Russia’s

invasion of Ukraine, however and yet again, changed the context for finding alternatives to pipeline gas supplies from the Russian Federation and made the Skulte LNG project feasible again. It became feasible both economically and politically. Political support for having an LNG import terminal in Latvia had been the missing link, and this problem was remedied through a government decision giving the green light to building the terminal¹¹ near the Skulte port in the Gulf of Riga.

The project is yet to finalize its environmental impact assessment. It is also known to have a US citizen of Latvian origin at its cradle, thus creating a strong blend of patriotic feelings with the business case and the need to ensure natural gas supplies through sources other than a pipeline from Russia. An LNG import terminal seems to provide just what is needed at this moment, despite a certain caution that investment in natural gas infrastructure might be a short-sighted choice. The author of this article concluded in a study on the future of LNG in the Baltic Sea region that the future of LNG in Latvia will depend on the country's energy and climate policy.¹² The geopolitical aspect was not as much in the agenda in early 2021 when the study was finalized, but this aspect turned out to play a crucial role in decision-making in 2022. If the project actually sees the light of the day, it may well become a case of a sizeable investment of US origin in Latvia's energy system.

Embracing the new kings

The world has become increasingly aware of climate challenges and the role of the energy sector in decreasing CO₂ emissions, and therefore embracing energy production from renewable sources has become an essential part of global and national climate goals and energy policies. Wind (both on land and offshore) and solar PV are the two technologies of choice for renewable energy projects, satisfying the needs of smaller projects and bigger, industrial-size projects alike. These technologies have become extremely competitive, even compared with seasoned and highly efficient technologies such as combined-cycle gas turbines and already functioning solid fuel (coal, lignite, oil shale) power plants. The International Energy Agency named these two the "new kings" of energy technologies as the levelized cost of electricity (LCOE) of these technologies has been decreasing steadily over the last decade.¹³

Furthermore, high energy prices have made investment in wind and solar PV power plants even more lucrative, with payback time having shrunk by half compared with just a few years ago, when electricity prices in the Nord Pool power exchange were on average five times lower than in 2022. This is good news for utilizing wind energy potential in the Baltic Sea region, both on land and at sea. Although there are strong European players such as Vestas, Orsted and RWE competing for the market, there is plenty of potential for other competitors to join the race for new wind power capacities.

Because the marine spatial plan for Latvia set out potential areas for offshore wind development and regulations were amended allowing for the installation of wind turbines in forest areas, the promise of the deployment of significant wind energy capacities has opened new opportunities for cooperation with existing market participants or for setting up new businesses to compete with incumbents and other newcomers. The US has a thriving ecosystem of renewable energy developers, small and big, which might find doing business in Europe worth giving a try.

The good thing about wind power is that it has the ability to create synergy with hydrogen technologies, thus utilizing the full potential of the two, which otherwise would not be as efficient. Therefore, exploring wind energy brings much broader benefits to businesses associated with hydrogen technologies – such as electrolyzers, storage, transportation, internal combustion engines running on hydrogen, natural gas technologies that allow adding a certain percentage of hydrogen, and others.

Solar PV is also experiencing a revolution, with interest to install solar PV technologies with capacities varying between just a few kW for self-consumption in households to industrial-scale 100 MW and bigger capacities. "Sadales tīkls", Latvia's biggest electricity distribution system operator, has received a significant number of applications for connecting new electricity generation capacities to the grid over the last year, amounting to more than 1 GW in total.¹⁴ One can say that there is plenty of space for development in all the Baltic States, but in Latvia in particular, considering that investment in and the deployment of renewables has been lagging behind its neighbors Estonia and Lithuania,¹⁵ both of which have invested heavily in renewable energy technologies over the last 10 years, especially in wind on land and solar PV power plants.

It must be noted that the deployment of wind energy technologies on land and offshore, as well as solar PV technologies, also brings with it numerous opportunities not only for the supply of technology, but also for investment, expertise, and core and auxiliary services related to the operation and maintenance of these new power plants that are going to be developed. In this respect, the Baltic States are no different from other regions that are open to the rapid development of renewables.

Conclusions

The most visible accolade in energy cooperation between Latvia and the United States goes to the Riga CHPP-2 reconstruction project, which is one of the single biggest energy projects Latvenergo has implemented. This does not mean, however, that this project has to remain or that it will necessarily remain the only sizeable project between the two countries. There is plenty of potential for cooperation in developing renewable energy technology projects, which are going to play an increasingly bigger role in ensuring the supply of clean and reliable energy to consumers in Latvia. The regulatory environment is gradually evolving into a system that is favorable to the broader deployment of renewables on a scale that can contribute significant power production capacities to cover demand and create opportunities for energy export.

Areas of priority include but are not necessarily limited to wind energy and solar PV energy. With the heating sector phasing out the use of fossil fuels and the energy system embracing electrification, electricity consumption will grow, increasing pressure on the supply side. Currently, the limited ability to cover all the demand through production serves as a clear signal that the market for new production capacities is there. It remains to be seen whether future cooperation is going to focus on supplying renewable energy technologies, or investing in LNG or SMRs, or if it is rather going to concentrate on providing financial capital for investment.

Given the complexity of raising money for energy projects of scale for smaller companies, it is likely that Latvenergo, Latvia's national energy incumbent and biggest energy producer, might turn out to be the partner of choice when investing in developing energy projects in Latvia.

Most importantly, the awareness has always been there that the United States is a strategically important ally in international diplomacy and a reliable partner in strengthening Latvia's defense capacity, as well as a partner possessing the political will to do business with a country representing a market so small that it could otherwise remain unnoticed by the global suppliers of energy resources, energy technologies, or venture capital. The prospects are good, and opportunities are there. In fact, there are more opportunities for cooperation in the energy sector than there have ever been. It is a matter of willingness and purposeful activity to make the energy sector become more visible in the cooperation portfolio between the United States and Latvia.

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Advancing energy security: A strategic imperative for a greater Latvian–US partnership

Anthony B. Kim

“The United States and Latvia are close allies and partners whose cultural, political, and economic ties continue to strengthen. With its growing economy, educated population, lower operating costs, and notable reform efforts to improve its investment climate, Latvia is an excellent entry point for US companies seeking to export or invest in the European Union or beyond.”¹

– US Ambassador to the Republic of Latvia John L. Carwile

The United States State Department aptly describes the Latvia-America relationship as a “strong alliance”, underscoring that “the United States and Latvia are strategic allies and partners, with a relationship built on mutual commitments to democracy, freedom, rule of law, security, and prosperity”.²

Indeed, America’s robust relations with Latvia are well rooted in history. The United States never recognized the Soviet Union’s forcible incorporation of the Baltic state in 1940 and welcomed the restoration of Latvia’s independence in 1991. On a bipartisan basis, Washington supported Latvia’s accession to the North Atlantic Treaty Organization (NATO) and the European Union (EU) in 2004. Especially since Russia’s initial invasion of Ukraine in 2014, potential threats posed to Latvia by Russia have been a primary driver of increased US interaction with the key Baltic ally.

Latvia, closely working with America as a member of NATO, strongly supports the transatlantic alliance. Moreover, Latvia and the United States share a dynamic economic relationship. In 2021, US goods exports to Latvia were valued at 413.2 million USD and goods imports from Latvia were valued at over 600 million USD.³

From a broader foreign policy perspective, it is truly encouraging that Latvia, whose diplomatic relationship with the United States marks its 100th anniversary in 2022, has accomplished notable progress toward free-market democracy and the rule of law by aligning itself with the West – particularly the United States. The desire to integrate into Western political, economic, and security structures has also reflected Latvia’s culture and heritage.

As the US and Latvia are willing to forge a greater and closer partnership, it is in the clear interest of Riga and Washington to elevate their decades-long partnership to a forward-looking pragmatic level, which deserves to be further enhanced by greater strategic clarity and realignment. Working with Latvia, particularly to strengthen energy independence and security, is the logical next step toward advancing the partnership between the two long-time, like-minded, and willing allies, into a new chapter of strategic cooperation.

Latvia: America’s vital, capable ally

Over the past decades, Latvia has unambiguously proven itself to be a staunch American ally, especially since the country regained its independence in the early 1990s following the fall of the Soviet Union. Latvia has firmly stood for the values of freedom, good governance, and human rights.

Indeed, Latvia’s transition toward a free-market democracy is an unambiguous success story. The country has been punching above its weight in many critical geopolitical dimensions as well. The Baltic nation has been an effective advocate of political freedom, a strong supporter of NATO, and a committed investor in its defense capabilities.

On the economic front, although uncertainty lingers, Latvia has benefited from its high degree of resiliency and competitiveness that was built up over the past 25 years. According to The Heritage Foundation’s annual *Index of Economic Freedom*, which compares the entrepreneurial frameworks of countries around the globe, Latvia’s economic freedom ratings have risen measurably over time.⁴

As the latest edition of the index notes, the Latvian economy is “mostly free” as the world’s 18th most free economy, with its overall rating above the regional and world averages. Latvia’s ongoing

transition from a former Soviet satellite state to a vibrant and market-oriented economy has been facilitated by openness to foreign trade and the efficiency of business regulations that promote entrepreneurial dynamism. In addition, Latvia has maintained relatively sound fiscal discipline and enhanced its banking sector, buttressed by the well-respected rule of law.

In reinforcing and amplifying this value-driven partnership, Washington needs to show the most vital possible support for Latvia, as America's economic relations with the Baltic ally has room for further growth, particularly in strategic sectors like energy and infrastructure.⁵ Latvia's energy infrastructure was mostly built during the Soviet era, and a good share of that infrastructure has required – and continues to require – timely replacement, modernization, and upgrades with new infrastructural elements.

Bilateral cooperation between the US and Latvia has traditionally been very active in all sectors – trade, investment, foreign and security policy, and defense issues. It is the energy sector, however, which probably has the great unique potential for future cooperation between the two NATO allies, particularly in the context of the current geoeconomic reality.

Energy cooperation: A vital dimension for Latvia's partnership with the US

It is notable that due to substantial hydroelectric capacity, Latvia already has one of the "greenest" supplies of energy in the world, with green sources of energy making up about 40% of total energy consumption. There are a number of dimensions to consider when it comes to US–Latvian relations in the field of energy. Among them is the relationship between the United States and the European Union – one which provides a wider framework for region-specific cooperation. In that setting, the current EU policy dictates that Latvia must increase the share of renewable energy in its final energy consumption.

While EU energy policy has long been a strongly guarded competence of national governments, the EU's collective role in energy policy has spread out over the last few decades.⁶ One of the most notable elements of the EU's energy supply strategy has been to shift

to the greater use of natural gas and renewables and to move away from nuclear and coal.⁷

Various US administrations and Congresses have viewed European energy security as a US national interest matter, with promoting the diversification of EU natural gas supplies becoming a focal point of US energy policy in Europe.⁸ In light of the fact that Russia had been the most important of the EU's natural gas suppliers and the top provider since 2014, the Trump administration had opposed new Russian gas projects as tools to maintain EU dependence on Russia.⁹

Latvia has been considering options to move beyond hydropower into wind and biomass power plants. To that end, the practical prospects for Latvian-US collaboration in the renewable energy sector have included energy-efficiency solutions and equipment, combined heat and turnkey power plants, biomass gasification technology, wind parks, and related technology. Many stretches of the Baltic coast have wind conditions suitable for wind parks, especially offshore. Over half of Latvia is covered by forest, so wood biomass presents excellent potential for further development.

Given the fact that much of Latvia's heat and electricity has come from imported natural gas, Latvia has been interested over the past years in diversifying energy supplies and developing more local resources to reduce the country's reliance on foreign sources of energy. In the context of Latvia's overall security, the issue of energy independence has undoubtedly played a critical role, especially considering that energy security is an intrinsic part of connectivity.

In addition to renewable energy projects, Latvia has been interested in pursuing a possible liquefied natural gas (LNG) terminal to enhance its energy supply source diversity. Latvia remains intent on building an LNG terminal at the port of Skulte. The Latvian government aims to commission the terminal in 2023–24, and the government plans to grant the project the status of an object of national interest, allowing faster and simpler administrative procedures to be applied in the project's implementation.¹⁰ Plans to build a terminal at Skulte have been introduced and under consideration for many years, although the project has never come to fruition. In a welcome development, Latvian energy firm Virsi recently agreed to buy a 20% stake in the proposed Skulte project, which envisages a floating facility instead of a dedicated LNG storage site.¹¹

This latest development has long been related to the fact that Russia's use of energy as a political and economic weapon has long placed the countries around the Baltic Sea on the frontline of discussions on the energy security and independency issue. By strengthening energy policy coordination and collaboration, the region's countries have hoped to shield themselves from Russia's use of energy as a weapon. In fact, the diversification of energy supplies and the reduction of their dependency on Russia has never been as urgent as in 2022.

Liquefied natural gas (LNG) is one of the fastest-growing industries in the world, and the United States is the fastest-growing exporter in the field. The growing global LNG market not only has commercial importance, but it has also become a tool of great-power politics in the energy-security sphere. Given the fact that Latvia has imported most of its oil and natural gas from Russia since regaining its independence, concerns about Russia using energy dependence as political and economic leverage against Latvia have been real and growing for years.

Following Russia's 24 February invasion of Ukraine, not surprisingly, Latvia has announced plans to suspend the use of Russian gas.¹² Latvia's president Egils Levits in late July signed amendments to the country's energy law banning Russian gas imports from the start of 2023, following parliament's approval in mid-July.¹³ Latvian Prime Minister Krisjanis Karins called for an "immediate full sanction on [Russian] oil, coal and gas" during negotiations on the most recent package of EU sanctions.¹⁴

The Russian invasion of Ukraine was as shocking as it was unjustified, and Russia's subsequent use of gas as a political and economic weapon has highlighted the need for Europe to become independent from Russian energy imports. In a short span, Russian President Vladimir Putin's regime with its unjustified war against Ukraine has brought the European Union and NATO together and given a huge impulse to the development of alternative energy sources. The prime minister further noted that the government was working on alternative gas supplies and increasing access to renewable energy.¹⁵ In this challenging geoeconomic circumstance, the energy sector presents renewed and elevated potential for greater bilateral cooperation between Latvia and the US, particularly in terms of sharing technologies, exchanging knowhow, and increasing concrete investment in the energy sector and other relevant areas.

Over the past several years, Latvian-US interaction on the energy security front has been gradually expanded, with the dialogue focusing on how to practically ensure the diversification of energy supplies, encompassing shale gas and renewable energy resources, as a key part of the solution to reducing and eliminating dependence on Russian energy.

The US has also been concerned about security and economic stability in the Baltic region and has thus devoted attention to various energy-related aspects which are of importance in the overall regional security scheme. In these contexts, some of the main topics which the two countries have discussed included advancements in technologies and knowhow in relation to shale gas exploration in the United States and Europe, the implementation of the Baltic Energy Market Interconnection Plan (BEMIP), and the liberalization of the gas market in the Baltic States. The US and Latvia have regarded shale gas and the potential of renewable energy resources to be a part of the solution in response to the high level of dependency on Russian energy resources of the country.¹⁶

It is quite encouraging that Latvia's energy cooperation with the US has recently opened a new chapter. On 4 April 2022, the United States and Latvia announced a new partnership under the Foundational Infrastructure for Responsible Use of Small Modular Reactor Technology (FIRST) program.¹⁶ The FIRST program "is a capacity-building program designed to deepen strategic ties, support clean energy innovation, and advance technical collaboration with partner nations on secure, safe, and responsible use of nuclear energy infrastructure".¹⁸ The purpose of the project is, in part, to draw experts from a wide range of areas to work "on topics such as workforce development, stakeholder engagement, regulatory development, and familiarization with advanced nuclear energy technologies, such as small modular reactors (SMRs), to support Latvia's energy independence and security".¹⁹

As highlighted by the US State Department's Undersecretary for Arms Control and International Security Bonnie Jenkins, "working with Latvia to explore what role advanced nuclear technologies can play in Latvia's future energy mix"²⁰ is quite a welcome development that opens a new horizon for the Latvian-US strategic energy cooperation. Jenkins further noted that "the United States and Latvia share a commitment to energy security, combatting climate change, and nonproliferation. The FIRST program provides a framework for our countries to work together to achieve these goals".²¹

Latvia currently has no nuclear power facilities, but Latvia is quite willing to look into advanced nuclear options with support from the US. That intention has been very clearly communicated by Latvia's Minister of Economics Janis Vitenbergs, who pinpointed that: "the share of renewable energy in [the] Latvian energy mix is constantly increasing and it is important to look at ways to ensure system stability and base loads to cover these volatile resources. We are grateful to the United States for readiness to collaborate with Latvia and share its experience and best practice in the field of nuclear energy. Latvia foresees an excellent cooperation with partners in the United States and it will foster our energy security".²²

The path forward

As briefly discussed in the previous section, Russia's ongoing war against Ukraine has shocked Europe into re-evaluating long-decided policies, including the phasing out of nuclear power, the curtailed use of important European fossil fuels, and, most critically, Europe's reliance on Russian energy. Russia's actions have underscored the unfortunate imprudence of Europe's long-term subjugation of its energy security interests in favor of aggressive and unrealistic climate targets and other politically driven calculations.

The US can and must help European nations to more fully integrate into the US market for LNG. US exports of LNG to Europe have increased rapidly since the start of the Russian war on Ukraine.²³ To reflect and accommodate the new, evolving geoeconomic reality, the US must do its own part by expanding its domestic production of LNG and its capacity to export it, just as Europe must expand its ability to import LNG, as rapidly as possible.

Indeed, in the face of Russian aggression and manipulation of energy markets, the transatlantic community needs to upgrade and secure its energy supply chains. It needs a vibrant private energy sector that delivers reliable, affordable energy. Needless to say, everything needs to be in the mix of that effort to ensure robust US exports, natural gas exploration, and the facilitation of – as well as the adoption of – greater nuclear energy usage. Toward that overall objective of pursuing energy security and independence, Riga and Washington should work together to, among other strategic partnerships:

- Continue to strengthen their collaboration on energy issues. The Baltic energy market interconnection plan has been an important building block in this architecture since 2008 and deserves to have greater attention.
- Enhance coordination to manage the growing maritime trade around the Baltic Sea. Russian energy will need to be replaced by increasing imports of LNG from other countries. Because LNG is transported by sea, this means the necessity of pursuing and institutionalizing accelerated cooperation on the construction of infrastructure, including ports, LNG terminals, and other relevant substructures as necessary.
- Open and broaden the Latvia – U.S. energy partnership to a select number of trusted strategic allies in the region and beyond, particularly in the context of upgrading and expanding Latvia’s energy infrastructure. Working with Japan and South Korea, which are proven to be among the world’s most capable partners to build infrastructure equipped with advanced technology, should be a pragmatic step toward such an engagement of amplifying and reinforcing the energy partnership and security.
- Keep exploring joint cross-border renewable energy projects as part of the energy mix and identify infrastructure needs to enable the practical integration of renewable energy needed to ensure the security of supply and affordable energy.
- Follow through on what has been discussed in the recent new partnership under the FIRST program, particularly concerning any possible application of small modular reactors for Latvia.
- Ensure necessary gas market reforms through possible joint policies with the other Baltic countries as well as support for regional energy infrastructure development in the Baltic States while facilitating increased commercial interaction between energy companies in the region and the US.
- Add and multiply ongoing collaboration in terms of how to effectively deal with the challenges of achieving energy diversification and securing energy independence together through bilateral and regional approaches.
- Advance the Three Seas Initiative. In facilitating much-needed greater energy cooperation and connectivity independent of Russia’s influence, the Three Seas Initiative, which Latvia has

been an active member of, can also play a vital role and must be enhanced accordingly, particularly with America becoming a more proactive anchor investor.

In particular, the Three Seas Initiative is a critical regional energy cooperation format that necessitates Washington's greater attention and participation. The initiative consists of 12 Central and Eastern European countries situated between the Baltic, Black, and Adriatic Seas: Austria, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia. The Three Seas Initiative aims to strengthen trade, infrastructure, energy, and political cooperation among its member states. A key component of the initiative is ensuring greater energy security for Europe.

As noted by the Congressional Research Service, the strategic objectives of the Three Seas Initiative are in line with a number of broad US security and economic goals that have received congressional support. Members of Congress have "demonstrated a growing interest in European energy security and sought to encourage reduced energy reliance on Russia, including by promoting U.S. LNG exports".²⁴ During a virtual speech given to the Three Seas Initiative summit in Bulgaria in 2021, President Joe Biden declared that the United States will be an "unfailing partner" of the Three Seas Initiative countries.²⁵ However, those words must be followed through on with concrete action. Given the urgency to pursue a policy of reducing regional energy dependency on Russia, Latvia can use the Three Seas Initiative Investment Fund as an additional financial instrument to achieve this goal.

Having secure, stable, and economically viable strategic partners in the Three Seas region is in America's security and economic interests. It should be noted that perhaps for Latvia and other Three Seas Initiative countries, it is the crisis triggered by Russia's invasion of Ukraine, rather than the existence of the initiative, that has injected the urgent necessity to achieve energy independence. In this critical setting, enhancing US support for the Three Seas Initiative – which encompasses a strategic, long-term outlook for energy resilience and independence for Europe – is a valuable economic and security approach to counter Russia's weaponization of energy. This is another reason why it is crucial to elevate the Latvia–US partnership to the next level, particularly through greater strategic clarity and practicality to advance energy cooperation and security.

Conclusions

Clearly, Latvia's partnership with the US has been fulfilling its promises. Yet more can and should be done, given that there are untapped, innovative ways to broaden the work as we advance together. Political relations between the United States and Latvia are on firm foundations and have very good potential. The current geopolitical context of the world offers many opportunities for cooperation, either on a bilateral basis or as part of regional settings. With security issues not just dominating the global political theater, but also being essential for individual countries and smaller regional clusters of states, energy cooperation has become enormously important in bilateral and regional relations alike. This context is favorable for the further development of Latvian–US relations in the energy sector.

To that end, the two allies' relationship deserves to be elevated from a purely military and economic alliance to a more far-ranging partnership, mainly through timely realignment. Seizing that opportunity would be a fulfilling way to gain from an ever-evolving partnership on key strategic fronts to move the Latvian–US partnership forward and onward for the next decades to come. The geopolitics of energy is changing before our eyes. The Russian invasion of Ukraine sent geopolitical shockwaves through Brussels, other European capitals, and Washington. And as energy has been used as a weapon against Europe many times before, greater Latvian–US cooperation in the energy field can be used as a much-needed shield.

At this crucial juncture, Riga and Washington have a unique opportunity to work together to shape and take ownership of a more secure and independent energy future. By doing so, the two long-time allies can elevate their partnership to a greater degree of cooperation and prosperity.

ENDNOTES

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A prologue to the next 100 years of Latvia–US relations

President of the Republic of Latvia
Egils Levits

When word reached Latvia in July 1922 that its recently proclaimed independence had been recognized *de iure* by the US, one local newspaper editorial summed it up perfectly: “This event has a great and lasting significance for the fate of our country in the distant future. Today’s strongest superpower recognizes our country’s right to exist. From a political point of view, we can consider our independence safe. It is now our task to take care of her provision also in economic terms, which can be achieved with peace and order, with hard work and frugality in the internal life of the country and with a wise, peaceful and far-sighted foreign policy.”¹

As it turned out, Latvia’s independence lasted only two decades before being lost for half a century and regained in 1991. Yet thanks to the US policy of non-recognition of the Soviet occupation, declared by Sumner Welles in 1940, Latvia’s statehood continued throughout. The events and issues of the past 100 years have been extensively described in this publication. Let me therefore offer here a brief prologue to the next 100 years of US–Latvia relations.

We can only guess the future, based on knowledge of the past and an understanding of current processes. Predictions, even by clairvoyants, are often wrong. We can, however, clearly define and live by our values as we face the unknown. The US–Latvia relationship is founded on shared values, including freedom, democracy, the rule of law, individual liberty, patriotism and equality. Since 2004 we have also upheld a mutual commitment as allies in NATO. As a frontier state, Latvia appreciates the sizeable military support by the US for its defense.

Perhaps due to its historical experience and size, Latvia is a keen supporter of multilateralism and the rules-based international order

established by the Charter of the United Nations in San Francisco in 1945. This year, Russia, a founding member with a permanent seat on the UN Security Council, launched a full-scale invasion and war against neighboring Ukraine, a sovereign European state. The brave Ukrainians are fighting not only for the freedom of their country, but also for Latvia and all Europe. Continued military aid to Ukraine will be crucial in bringing it closer to victory and achieving a just peace in Europe. Russia's war against Ukraine is not "another local war". It is a battle between those who respect international law and those who believe might is right.

All aspects of life, including war, have been transformed in the digital age. While technological advances, many of them coming from the US, bring great improvements to our daily lives, they also create new risks to individuals and societies. Disinformation spreads easily on social media and distorts our democracy. Populists have a simple answer to all our complex issues. Given Latvia's historical experience in recognizing lies and fighting for freedom of speech, I believe we can work closely with the US to fight disinformation and defend our democracies.

If there is one prediction we can believe, it is the dire warning by scientists about the devastating consequences of climate change. This will impact societies around the globe in different ways. Latvia and the US share a commitment to energy security and fighting climate change – these two goals, in combination with digital transformation, could drive our economic cooperation in the coming decades.

The human bond is central to the US–Latvia relationship. Hundreds of thousands of Latvians have made a new home in the US over the past century and even earlier. Those who found refuge in the US after World War II have made a significant contribution to their new homeland, whilst retaining their Latvian heritage. These personal ties continue to flourish today. I hope that more and more Americans will discover Latvia as a destination for investment, tourism and education.

Despite – or because of – all the current geopolitical and social challenges that require our attention, I trust the US–Latvia relationship will remain strong and continue to grow in the years to come.

God Bless America! Dievs, svētī Latviju!

ENDNOTES

¹ Liepājas Avīze, 1922. gada 29. jūlijs.

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Ambassador **John L. Carwile**, a career member of the Senior Foreign Service with the rank of Minister-Counselor, is the U.S. Ambassador to the Republic of Latvia. Prior to his appointment as Ambassador, Mr. Carwile served as the Department of State's Deputy Director of Career Development and Assignments, where he helped manage the Foreign Service assignments process and oversaw a 120-person staff.

Ambassador **Daniel Fried**, in the course of his forty-year Foreign Service career, played a key role in designing and implementing American policy in Europe after the fall of the Soviet Union. As Special Assistant and NSC Senior Director for Presidents Clinton and Bush, Ambassador to Poland, and Assistant Secretary of State for Europe (2005–09), Ambassador Fried helped craft the policy of NATO enlargement to Central European nations and, in parallel, NATO-Russia relations, thus advancing the goal of Europe whole, free, and at peace. While a student, he lived in Moscow, majored in Soviet Studies and History at Cornell University (BA magna cum laude 1975) and received an MA from Columbia's Russian Institute and School of International Affairs in 1977. He joined the U.S. Foreign Service later that year, serving overseas in Leningrad (Human Rights, Baltic affairs, and Consular Officer), and Belgrade (Political Officer); and in the Office of Soviet Affairs in the State Department. As Polish Desk Officer in the late 1980s, Fried was one of the first in Washington to recognize the impending collapse of Communism in Poland, and helped develop the immediate response of the George H.W. Bush Administration to these developments. As Political Counselor at the U.S. Embassy in Warsaw (1990–93), Fried witnessed Poland's difficult but ultimately successful free market, democratic transformation, working with successive Polish governments. Ambassador Fried also served as the State Department's first Special Envoy for the Closure of the Guantanamo (GTMO) Detainee

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Egils Levits is the President of Latvia. He graduated from the Faculty of Law of the University of Hamburg in 1982. In 1986, he graduated from the Faculty of Philosophy and Public Science at the University of Hamburg. He actively participated in the reconstruction of the Latvian state in 1989–1991 and in the restoration of Latvia in 1989–1991. He was a Member of the Council of the Latvian People’s Front and the Congress of Citizens. He was an author of the concept of the Declaration on the

Restoration of Independence of Latvia of 4 May 1990. He was the first Minister of Justice after the full restoration of the Constitution, the first Ambassador of Latvia to Germany after the restoration of the country, the first Latvian judge at the European Court of Human Rights (1995–2004), and the first Latvian judge at the European Court of Justice. He has been a co-author of many significant draft laws (including the Law on the Constitutional Court of Latvia, the Administrative Procedure Law, the Law on the Structure of the Cabinet of Ministers, etc.). Levits is also the author of the Preamble (or Introduction) to the Constitution, adopted in 2014. He is the author of many scientific publications on the issues regarding state law, administrative law, human rights, and democracy. Levits has provided many opinions on various legal and political issues to the Latvian Parliament (Saeima), the Cabinet of Ministers, various ministries, the Constitutional Court, other courts, public authorities, institutions of the European Union, and international institutions. He publishes regularly on development challenges in Latvia. Levits has been the Ambassador of Latvia to Germany, Austria, Hungary, and Switzerland, as well as Deputy Prime Minister, Minister of Justice, and a member of Saeima. He chaired the Commission of the Constitutional Law of the President of Latvia from 2007–2013. From 2004–2019 he was a judge at the European Court of Justice.

Jason C. Moyer is a foreign policy professional with over 8 years of experience specializing in transatlantic relations, the European Union, NATO, Sweden and Finland's NATO accession, the Baltic countries, France, and Italy. He currently serves as a Program Associate for the Global Europe Program at The Woodrow Wilson International Center for Scholars. Previously, he was the Program Manager for the Foreign Policy Institute at Johns Hopkins SAIS (the Dean's research institute), and he was the Program Coordinator for the Center for Transatlantic Relations, a transatlantic think tank. He is also a Fellow for the Transatlantic Leadership Network. He has been published in multiple major media outlets, including The Washington Post, The Hill, and The National Interest. He graduated from Georgetown University with a Master of Arts in German and European Studies from the Edmund A. Walsh School of Foreign Service and with a certificate in Diplomatic Studies. During his time at Georgetown, he was a teaching assistant to former Secretary of State Madeleine K. Albright.

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Dr. Aldis Purs is a “rootless cosmopolitan” having lived in Ohio, Florida, Michigan, Ontario, Latvia, Washington D.C., California, and Washington with shorter stints all over the world. He received his B.A. from the University of Florida and his MA and PhD from the University of Toronto. He wrote his dissertation on local government in Latvia from 1918 to 1940. His primary interests by geographical location are

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Valdis Zatlers was elected as a President of Latvia in 2007 for one term until 2011. During late 80^s and early 90^s he was an active member of the Popular Front of Latvia – a political organization that led to regaining the independence of Latvia. He also served as a member of its council. Mr. Zatlers also took part in the meeting of the three national movements of the Baltic states that later gathered people for the history changing act – The Baltic Way. His educational background includes graduating Riga Institute of Medicine in 1979 as well as professional orthopedic training at Yale and Syracuse Universities in 1991. After completing his medical studies, Mr. Zatlers became traumatologist-orthopedist (1979–1985). Mr. Zatlers was also employed as a doctor in Chernobyl following the failure of the nuclear power plant in 1986. Later the career in medicine led to him to a wider opportunities and leadership roles, including serving as Head of the Traumatology Department (1985–94) at 2nd Hospital of Riga, Director and Chairman of the Board of the State Hospital of Traumatology and Orthopedics (1994–2007), and President of the Association of Traumatologists and Orthopedists in Latvia (2003–2008), that was followed by taking a position as President of Latvia in 2007. After the presidency Mr. Zatlers formed a political party and ministered as deputy in Saeima (Parliament of Latvia) where he served on and chaired National Security Committee. His active years ended in 2014.

Exhibition
marking 100 years
of diplomatic relations
between Latvia and
the United States

Ēriks Jēkabsons,
Kristīne Beķere,
Gints Āpals

Courtesy of
the Embassy of Latvia
to the United States

1918–1922

Latvian War of Independence

Latvia, Lithuania, and Estonia declared independence in 1918, after the collapse of the Russian Empire during World War I. From 1915–1918, the war inflicted severe damage and human loss across Latvia. The war created hundreds of thousands of Latvian refugees. A third of the population was forced to abandon their homeland, fleeing to Russia; many never returned.

From 1918–1920, the newly created, war-torn state of Latvia faced a long, difficult battle against external and

internal enemies — Soviet Russia, local communists, and Baltic Germans — who envisioned a different future for Latvia. German and white (anti-Bolshevik) Russian forces were led by Pavel Bermond, who tried to restore the Russian Empire in cooperation with reactionary German troops. The Latvian War of Independence ended on August 11, 1920, by a peace treaty with Soviet Russia. **In 1921, Latvia gained international recognition and was admitted to the League of Nations.**

The Beginning of Latvian-American relations

On December 10, 1918, the U.S. Senate passed a resolution supporting Baltic independence, later considered a *de facto* recognition. Over the next few years, the U.S. steadily increased its diplomatic presence in Riga. The Latvian Government also bought American war materials and received food aid from the U.S. In January 1921, Latvian independence was recognized, *de jure* by the Supreme Council of Allied Powers. Other countries soon followed. **On July 28, 1922, the U.S. established diplomatic relations with Latvia.**

In 1921, Ludvijs Sēja began working in Washington as an unofficial diplomatic representative and delegate of the Latvian Government. He worked to secure U.S. recognition and economic assistance.

American organizations helping Latvia

Cultural relations grew stronger. Regular passenger service was established between the ports in Liepāja and New York. In 1919, the American delegation at the Paris Peace Conference sent a special military mission to work in Latvia, led by Col. Warwick Greene. To alleviate the humanitarian crisis in Latvia, the American Relief Administration and the Red Cross provided much-needed food relief, medical care, and supplies. The American YMCA and YWCA actively supported Latvian soldiers and families, helping revive sports and intellectual pursuits. The American Jewish Joint Distribution Committee also began operating in Latvia. Overall, American organizations in the Baltics were most active in Latvia, choosing Riga as their central outpost for the region.



Head of American Relief Mission Theodor Orblson, lightly wounded in his office from artillery shell explosion, October, 1920.

Image: Hoover Institution Archives



American Food Relief Committee, Riga, 1919. Image: Hoover Institution Archives

American personnel

In 1919–1922, there were hundreds of Americans working in Latvia: state officials, officers, soldiers, doctors, nurses, civil servants, social workers, technical staff, and others.



Lieutenant-Colonel of Latvian Army — American officer Joseph Stehlin, Riga, 1920.

Image: Latvian War Museum

American support

Latvia was among the hardest-hit nations after the war. The situation was dire in both cities and the countryside, as many families faced starvation. As part of a broader European assistance effort, the U.S. supplied food, clothing, medicine, and medical care to 25–30% of Latvia's children. American aid also helped revive Latvia's healthcare system.



Drawings of Latvian children presented to American Relief Mission for relief given to Latvia, Riga, 1919. Image: Hoover Institution Archives

1922-1940

Latvian-American relations between the wars

The Republic of Latvia was a small country with a population of only two million. For more than a decade, Latvia was a parliamentary democracy. But in May 1934, Prime Minister Kārlis Ulmanis took power by organizing a bloodless coup. The new authoritarian regime dismissed the Parliament, suspended the Constitution, and banned all political parties. Rapid economic transformation successfully produced a high level of agricultural and industrial development, leading to a boom in exports and a more visible role in international relations. To defend against potential threats from Germany and the Soviet Union, Latvia's foreign policy initially attempted to establish a regional defense union between the Baltic States, Poland, and

Finland. When this failed, Latvia was left to hope for bilateral agreements with neighboring countries (including Germany and the Soviet Union), collective security under the League of Nations, and respect for Latvia's declaration of neutrality. Throughout the interwar period, Latvia saw the U.S. as an important international partner, politically and economically. After the U.S. government recognized Baltic independence in 1922, American isolationism and protectionism, along with other factors, limited the success of transatlantic economic cooperation. Still, the U.S.-Latvia relationship would remain strong, even after Latvia lost its *de facto* independence in 1940.

Diplomatic relations

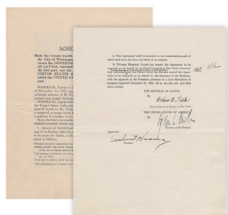
The U.S. Legation in Riga was established in 1922 to serve as the headquarters for American representation in the Baltics during the interwar period. The Latvian Legation in Washington, D.C. was also established in 1922. From 1927-1935, Latvian representative functions were fulfilled by the Consulate General in New York. Additionally, Latvia was represented by Honorary Consuls in major American cities — local businessmen or public employees, some of Latvian origin.



Reception at United States Legation in Riga (1st row, 4th from the left Envoy Frederick Coleman, 5th- President of Latvia Gustavs Zemgals). November 9th, 1929. Image: Archives of Latvian Ministry of Foreign Affairs

U.S. - Latvia Bilateral Agreements

During the interwar period, Latvia and the U.S. signed several bilateral agreements on finance, extradition, postal matters, wartime debt, trade, commerce, arbitration and conciliation.



Agreement on war debt of Latvia to United States. Washington September 26th, 1925, June 11th, 1932. National Archives of Latvia, State Historical Archives



Agreement on Friendship, Trade and Consular Rights. Riga, April 20th, 1928. National Archives of Latvia, State Historical Archives



American Legation staff in Riga, 1928. Image: Archives of Latvian Ministry of Foreign Affairs

Representatives of Latvia in United States



Legation in Washington

Ludvigs Sēja (1885-1962)
Delegates of Government (1921-1922),
Charge d'Affaires (1922-1925),
Extraordinary Envoy and Plenipotentiary
Minister (1925-1927)



Alfrēds Bīlmanis (1887-1948)
Extraordinary Envoy and
Plenipotentiary Minister
(1935-1948)



Consulate in New York

Arturs Līle (1882-1941)
Consul and Consul General
(1921-1936)



Rūdolfs Sīlers (1896-1981)
Consul (1937-1940)

Honorary Consulates



Representatives of United States in Latvia



John Allyn Gade (1875-1955)
Commissioner of State Department
in Baltic Provinces
(1919-1920)



Evans Young (1878-1946)
Commissioner of State Department
in Baltic Provinces
(1920-1922)



Frederick W. B. Coleman (1874-1947)
Extraordinary Envoy and Plenipotentiary
Minister (1922-1932)



Robert Peet Skimmer (1856-1960)
Extraordinary Envoy and Plenipotentiary
Minister (1932-1933)



**John Van Antwerp
MacMurray** (1881-1960)
Extraordinary Envoy and
Plenipotentiary Minister
(1933-1936)



**Arthur Bliss
Lane** (1894-1956)
Charge d'affaires
(1936-1938)



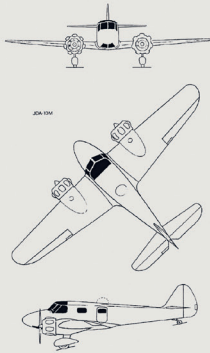
John Cooper
Wiley (1893-1967)
Extraordinary Envoy and
Plenipotentiary Minister
(1938-1940)

Consulate in Riga (1919-1940)

1922-1940

Culture, sports, science, and transportation

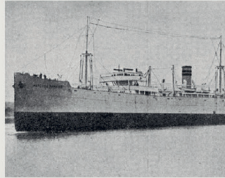
During the interwar period, Latvia and the U.S. quickly developed cooperation in culture and sports. American books, music, and films gained huge popularity in Latvia. Latvian athletes participated in the 1932 Summer Olympics in Los Angeles. About 35,000 Latvians lived in the U.S. In the 1930s, University of Minnesota professor John D. Akerman (1897-1972), born in Latvia, became a leading figure in American aeronautical engineering. He visited Riga to help build the VEF JDA-10M plane, designed by Akerman.



JDA-10M plane designed by John Akerman, produced at VEF factory, Riga, late 1930s



Latvians in New York celebrate the de jure recognition of Latvia by the U.S. Among them, Latvian representative Ludvigs Sēja (2nd row, 2nd from the left). **New York, August 2, 1922.** Image: *Museum of the Occupation of Latvia*



In May 1939, Latvian ship "Hercogs Jēkabs" began regular trips between Latvia and Boston, New York, and Baltimore. Image: *"Jārnīki" Nr. 5, 1939*

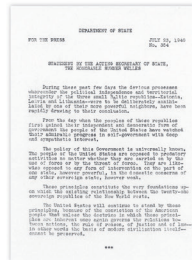


Former U.S. President Herbert Hoover visited Latvia, **March 1938.** Image: *"Aptiņa" 03.18.1938*

1940: Occupation of Latvia, U.S. Non-Recognition



The Red Army enters Riga on 17 June 1940. Wartime postcard. Image: *Latvian National History Museum*



Welles Declaration. **Washington, July 23, 1940.** Image: *Archive of Latvian Ministry of Foreign Affairs*

On August 23, 1939, secret protocols of the German-Soviet Non-Aggression Pact assigned Latvia to the Soviet Union's sphere of influence. Under military threat, Latvia was forced to sign a Mutual Assistance Treaty with the Soviet Union in October 1939, establishing Soviet military bases and allowing 25,000 troops on Latvian territory. As World War II broke out, the U.S. Government and Legation in Riga

observed with concern military and political developments across Europe. In June 1940, under the threat of military force and promise to preserve the independence of the three countries, the Soviet Union occupied (and later annexed) the Baltic States. Over the summer, the USSR ordered Latvian diplomatic and consular missions abroad to shut down. U.S. representatives in the Baltics were eventually forced to

leave. However, the Latvian Legation in Washington continued to operate, as the U.S. refused to recognize the occupation and annexation of the Baltic States. On July 23, 1940, acting Secretary of State Sumner Welles condemned the occupation and officially declared the U.S. policy of non-recognition, which remained in place until the Baltic states regained independence in 1991.

1940–1950

Latvia after the war

When World War II ended in 1945, devastated countries around the world could begin to rebuild. But the consequences of war would be long-lasting, especially for the Baltic states. After several years of Nazi occupation (1941–1944), Latvia was once again under the totalitarian control of the Soviet Union. The Latvian Soviet Socialist Republic was established and incorporated into the USSR. For five decades, Latvia remained on the wrong side of the Iron Curtain, cut off from the democratic world.

Policy of non-recognition

The refusal to recognize the legitimacy of the Soviet occupation and annexation of the Baltic states, formulated in the 1940 Welles Declaration, was the main framework that shaped U.S.-Latvian relations from World War II until 1991. Under this policy, the U.S. held no official relations of any kind with the Latvian Soviet Socialist Republic. For 50 years, the U.S. upheld this principle and maintained official contact only with the diplomatic representatives of the Republic of Latvia and Latvian diaspora organizations in the free world.

Latvian Refugees

Towards the end of the war, almost 200,000 Latvians — one in every ten — were forced to abandon their homes, fleeing from the advancing Soviet army. Most refugees fled west to Germany, where Allied forces established Displaced Persons (DP) camps. For most Latvian refugees, returning home to occupied Latvia was not an option. After living in DP camps for several years, many started new lives in the U.S., United Kingdom, Canada, or Australia. About 40,000 Latvians immigrated to the U.S., a top choice for many in exile.



Latvian refugees leaving Riga, October 1944.

Image: Latvian War Museum

Refugees preparing to leave DP camp to emigrate to their new homes. Oldenburg, 1947.

Image: National Archives of Latvia



Latvian diplomats in USA

Diplomatic service of the Republic of Latvia enjoyed full recognition in the U.S. and continued to operate without interruption. After the death of minister Alfrēds Bīlmanis in 1948, the legation was headed by Chargé d'affaires Jūlijs Feldmans (1949–1953), Arnolds Spekke (1954–1970), and Anatols Dinbergs (1970–1991). Despite very limited funding and staff, the continuation of Latvian diplomatic representation in the U.S. was important evidence of the non-recognition policy and a symbol of Latvia's legal existence.



The Head of the Latvian Legation in the USA Anatols Dinbergs and his wife Ruta at the reception of the President of the United States Richard Nixon, Washington, February 8, 1971.

Image: Ministry of Foreign Affairs, Republic of Latvia

Building of the Latvian Legation in the U.S. Washington, 4325 Seventeenth Street, N.W.

Image: National Archives of Latvia

1950–1980

Latvians in America

After the refugees arrived, there were more than 55,000 people of Latvian descent living in the U.S. While integrating into American society, they did not forget their roots. Latvians actively preserved their language, traditions, and arts by creating churches, schools, folk-dance groups, choirs, summer camps, and other organizations.

Most importantly, Latvian-Americans raised awareness about Baltic issues, fervently hoping their homeland would regain independence. Latvians exercised their political rights as American citizens, lobbying the White House and Congress to support the ultimate goal – freedom for Latvia.



USA was the centre of Latvian diaspora's activities. Meeting of the American Latvian Association in 1955, during which a world-wide Latvian diaspora organization – World Federation of Free Latvians was formed



A painting of Riga by Latvian artist Ludolfs Liberts presented to U.S. President Dwight Eisenhower. **October 28, 1953.** Attending: representatives of the American Latvian Association and the president's assistant



Latvian American folk dance group in traditional folk costumes meeting with Vice President Gerald Ford in front of the Capitol building. **1972**

Captive Nations week

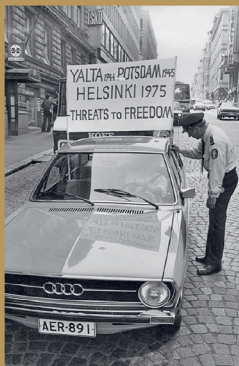
During the Cold War, the U.S. saw itself as the global defender of freedom and self-determination against Communist aggression. In 1959, Congress designated the third week of July as "Captive Nations Week." This week was observed by Latvians, Eastern Europeans, and Americans across the country. Events included marches, demonstrations, political meetings, and seminars. Captive Nations Week is still observed every June, "until such time as freedom and independence shall have been achieved for all the captive nations of the world."

Group of Latvians during the events of the Captive Nations week in Los Angeles. **June 15, 1972.** Image: Latvians Around Nations



Select Committee to Investigate the Incorporation of Lithuania, Latvia, and Estonia into the U.S.S.R

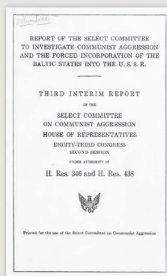
On July 27, 1953, Congress established the House Select Baltic Committee, led by Rep. Charles J. Kersten (R-WI), to study the Soviet Union's forced incorporation of the Baltic states and treatment of the Baltic peoples. In close cooperation with Baltic diaspora organizations, the committee conducted more than 100 interviews and gathered extensive documentary evidence. The committee concluded: "The evidence is overwhelming and conclusive that Estonia, Latvia and Lithuania were forcibly occupied and illegally annexed by the U.S.S.R." These findings supported the continued policy of non-recognition over the later decades.



Conference on Security and Cooperation in Europe

The 1970s saw a thaw in U.S.-Soviet relations, emerging from meetings at the Conference on Security and Co-operation in Europe (CSCE) in Helsinki. The USSR wished to gain recognition for its borders – cementing its claims on the Baltic – but the U.S. firmly stood by its policy of non-recognition. In 1975, shortly before signing the final agreements of the CSCE, U.S. President Gerald Ford met with representatives of Eastern European diasporas to confirm the continuation of non-recognition. This view was echoed by Congress in House Resolution 864, adopted on December 2, 1975.

Latvian youths protesting during the Helsinki CSCE meeting, 1975



Third Interim report of the Select Committee on Communist aggression

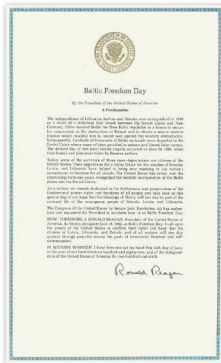
1980-1991

Baltic Freedom Day

In 1982, as another symbol of American solidarity, President Ronald Reagan declared June 14th — a day of mourning in the Baltic states to commemorate the Soviet mass deportations of 1941 — Baltic Freedom Day. Similar proclamations in later years strengthened the hope of Baltic-Americans that the Baltic states will someday achieve their goals of democratic freedom and self-determination.



U.S. president Ronald Reagan signing the Baltic Freedom Day proclamation. Attending: members of the Baltic diaspora, US Senators and congressmen. Image: National Archives of Latvia

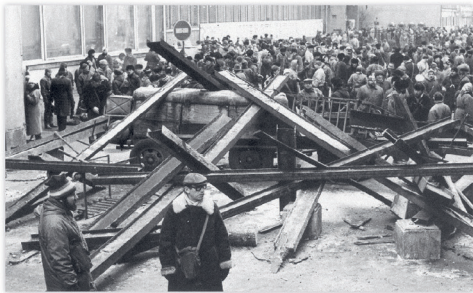


Baltic Freedom Day proclamation by the President of the United States of America Ronald Reagan. Image: National Archives of Latvia

The Collapse of the USSR

Mikhail Gorbachev's attempts to reform the Soviet Union in the late 1980s led to a wave of freedom movements in the Baltic states. A key turning point was the Baltic Way, a massive peaceful demonstration across Estonia, Latvia, and Lithuania. On August 23, 1989, two million people formed a human chain connecting the Baltics from Tallin to Riga to Vilnius, demanding independence from the Soviet Union.

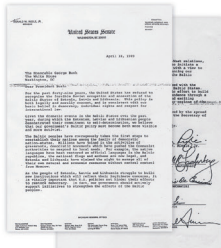
Tensions were especially high in January 1991, as the Baltic states feared Soviet military force. Unarmed Latvian civilians erected barricades to protect key government and communications buildings in Riga, ready to defend their freedom. Several people were shot and killed by Soviet forces. The U.S. stood with the Baltic states by delaying economic aid agreements with the USSR.



Barricades in Riga, erected for the defence of the telephone switching facility, January 1991. Photograph by Jānis Brencis



Baltic diaspora leaders meeting with U.S. President G. Bush, January 22, 1991. Also present: General Brent Scowcroft and Condoleezza Rice. Image: George Bush Library and Museum



Letter to the U.S. President George Bush, asking that the Baltic policy become more visible and more activist. Signed by 28 US Senators. April 18, 1989. Image: National Archives of Latvia

Chautauqua conference in Jūrmala

In September 1986, the Chautauqua Institution organized a conference on U.S.-Soviet relations in Jūrmala, Latvia. Soviet and U.S. government officials debated before an audience of Soviet and American citizens. The event was widely covered by Soviet Latvian media. For the first time, the U.S. policy of non-recognition was publicly announced on Latvian soil by American diplomat Jack Matlock, inspiring the Baltics' hopes for freedom.



Meeting in Jūrmala. Image: Museum of the Occupation of Latvia



Letter of gratitude to J. Matlock from the president of American Latvian Association A. Lambergis. Image: National Archives of Latvia

Freedom at last

Latvia was finally able to regain independence after the failed Moscow coup attempt of August 1991. Amid administrative chaos in Moscow, the Supreme Council of Latvia adopted a constitutional law, "On the statehood of the Republic of Latvia" on August 21, 1991, fully restoring *de facto* independence of the Republic of Latvia.



Photograph by Kaspars Upmans

1991–2001

Partnership in Europe Whole and Free

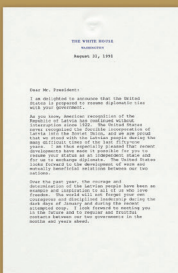
In May 1989, President George H.W. Bush evoked a vision of a "Europe Whole and Free and at Peace." Soon came the breakup of the Soviet Union, and after the failed Moscow coup of August 1991, the Baltic states gained international recognition of their renewed independence. On September 2, 1991, President Bush announced that the U.S. would reestablish full diplomatic relations with the government of Latvia. Two weeks later, Secretary of State James Baker made a visit to Latvia. On February 7, 1992, Vice President Dan Quayle arrived in Riga to preside over the dedication ceremony for the new U.S. Embassy building.



Left to right: Curtis W. Kamman, U.S. Deputy Assistant Secretary of State, and Mārtiņš Vīrsis, First Deputy Foreign Minister of Latvia, exchange the signed copies of the Memorandum of Understanding concerning Diplomatic Relations. Riga, Latvia, September 5, 1991



President George H. W. Bush meets Valdis Parloviķis, Chairman of the American Latvian Association, in the White House, Washington, D.C., April 11, 1991. Image from P. Puchkovskis archive.



Letter of President George H. W. Bush to the Chairman of the Latvian Supreme Council Anatolījs Gorbunovs. The document is dated August 31, 1991, although a corresponding public statement followed on September 2, 1991

Strategic Partnership for a Better Future

The well-functioning partnership between the U.S. and the Baltic states was soon formalized. On January 16, 1998, the presidents of the U.S., Latvia, Estonia, and Lithuania met in Washington, D.C. to sign the Baltic Charter, an all-encompassing document covering many aspects of international relations. To this day, the U.S. remains the only individual state recognized by Latvia as a strategic partner.

The U.S. assisted Latvia in implementing fundamental reforms that introduced a free market and facilitated its integration into the global economy. Consequently, Latvia was admitted to the World Bank, the International Monetary Fund, and the World Trade Organization. The U.S. provided valuable diplomatic support to help Latvia refute false Russian accusations of human rights violations regarding the Russian-speaking minority.

Latvia was able to establish itself in various international organizations including the United Nations, the Organization for Security and Cooperation in Europe, and the Council of Europe, paving the way for NATO and EU membership.



The signing ceremony of the U.S.–Baltic Charter in the White House. Left to right: the President of Latvia Guntis Ulmanis, the President of Lithuania Algirdas Brazauskas, the President of Estonia Lembit Mier, the President of the United States Bill Clinton. Washington, D.C., January 16, 1998

Unwavering Support for Latvia's Security

From the very beginning, the U.S. strongly advocated for Latvia's admission to NATO. Secretary of State Baker supported the eligibility of the Baltic states for NATO membership early on in 1995. In 1998, the U.S. Department of Defense offered Latvia advice on practical preparations. At the 1999 NATO Summit in Washington, D.C., the Baltic states were offered membership action plans to facilitate their admission to the alliance.

At the NATO summit meeting in 1999, following the U.S. proposal, the Alliance decided to offer Latvia and the other eight aspiring countries elaborate membership action plans for participation in NATO. July 6, 1994. Image: NATO



Consolidation of the State

After five decades of Soviet occupation, Latvia faced many internal and external challenges. The U.S. was the partner of choice in resolving these problems. The U.S. government facilitated the withdrawal of remaining Russian troops, as President Bill Clinton personally engaged in talks with Russian President Boris Yeltsin to help Russian and Latvian officials sign an agreement on April 30, 1994. Almost all Russian units had left Latvia by September 1994. The largest Russian military installation – the Skrunda Radar Station – was blown up by American demolition experts on May 4, 1995.



The demolition of the seventeen-story high Skrunda Radar on May 4, 1995. Image: Alisa Jermaks

On July 6, 1994, President Clinton made a historic visit to Riga, becoming the first American president to visit the Baltic states. He addressed the Latvian nation before a huge crowd at the Freedom Monument, the most important symbol of Latvia's independence. For many, this event marked Latvia's irreversible return to the Free World and the international community.



President Bill Clinton addressing the public at the Freedom Monument in Riga, July 6, 1994. Image: Inauna Priekule

During the 1990s, the U.S. assisted Latvia's efforts to build its defense capabilities. Cooperation between Latvia and the Michigan National Guard began in 1995. Meanwhile, the U.S. helped establish a group of military advisers to assist the Latvian Ministry of Defense. The U.S. also designed a Baltic Action Plan, providing support for important initiatives like the multinational Baltic peacekeeping battalion BALTBAT, the Baltic Defense College, and a regional air surveillance system. Contributions from the U.S. Foreign Military Financing program helped rearm the Latvian military, while Latvian officers were trained by the U.S. International Military Training and Education program.

2011–2021

A Decade of Global Challenges and Tensions

The past decade has been marked by growing global challenges, including climate change and the COVID-19 pandemic, along with resurging tensions

within Europe. These challenges have required a coordinated approach by NATO members and bilateral cooperation between Latvia and the U.S.

U.S. Commitment to the Baltic states

In 2014, President Barack Obama reaffirmed American commitment to Baltic security, declaring that “Countries like Estonia and Latvia and Lithuania are not ‘post-Soviet territory’. (...) [W]e will defend our NATO Allies, and that means every Ally.” His message was repeated by other U.S. officials, including Vice President Joe Biden, who visited Riga on August 23, 2016. During his visit, the U.S. and Baltic states adopted a Joint Declaration on Increased Security and Defense Cooperation.

Russian aggression in eastern Ukraine and the illegal annexation of Crimea in 2014 triggered a new international crisis. NATO allies responded with both political and military measures. Additionally, the U.S. government developed its European Reassurance Initiative, which in 2017 provided \$3.4 billion in defense assistance to European allies.

President of Latvia Egils Levits meets with U.S. President Joe Biden during the NATO Summit in Brussels, June 14, 2021.

Photographer: Ilmaris Zooniņi, Chancery of the President of Latvia



Security and Defense Assistance

Latvia significantly benefitted from these measures. At the beginning of the crisis in Ukraine, the U.S. deployed military units to Latvia. NATO military presence grew in 2017 with the arrival of a multinational quasi-permanent NATO battle group. American diplomacy facilitated corresponding political decisions based on the Washington Treaty and shared values of democracy, human rights, and the rule of law. For its part, Latvia increased its defense expenditure to 2% of its GDP in 2018.

American assistance goes far beyond security and defense. The Baltic American Freedom Foundation, established in 2010, successfully continues the mission of deepening ties between Estonia, Latvia, Lithuania, and the U.S. through programs of education and exchange centered on economic growth and democratic values. Since 1991, more than 250 Latvians have conducted research and studied in the U.S. as Fulbright scholars. In the past decade, about 200 Latvians have received other U.S. government scholarships, while various U.S. grants have been extended to Latvian NGOs and other entities.

Latvia's Minister of Foreign Affairs meets with U.S. Secretary of State Antony Blinken in Riga, March 7, 2022. Image: Ministry of Foreign Affairs, Republic of Latvia



U.S. paratroopers arrive in Riga to reassure Latvia, 24 April 2014. Photographer: Gatis Diezģis. © Latvian Army



Economy

Latvia and the U.S. are continuously expanding economic cooperation. The U.S. has always been a key export market for Latvia. Top exports include wood, electrical appliances, machinery, optics, foods, and beverages. Latvian companies – Printful, SAF Tehnika, Riga Wood, MikroTik, and LMT, just to name a few – have developed operations in the U.S. and created new jobs for Americans. Foreign direct investment flowing both ways supports economic growth in both Latvia and the U.S. In education, Latvia is expanding cooperation with Temple University, the University at Buffalo, MIT, University of Washington, and other American universities.

Public Diplomacy and Culture

In the world of sports, many Latvian athletes are well-known by Americans – most notably, NBA all-star Kristaps Porziņģis. Latvian musicians have also built successful careers in the U.S.: Andris Nelsons as Music Director of the Boston Symphony Orchestra, and soloists Aleksandrs Antonenko, Marina Rebeva, and Kristīne Opdalis with the Metropolitan Opera in New York. Their contributions to American culture continue a history of outstanding Latvian-born artists like ballet dancer Mikhail Baryshnikov and painter Mark Rothko.



Mikhail Baryshnikov M.B. upon receiving the passport of his native Latvia, Riga, April 27, 2017. Photographer Reinis Inehns, © Saeimas administrācija

The American-Latvian community remains key to the strong partnership between the U.S. and Latvia. The American Latvian Association works closely with the U.S. government and Congress, representing almost 90,000 people of Latvian ancestry. The Biden administration highly values the U.S.-Baltic relationship, sending a clear message of lasting friendship and support, demonstrated by high level visits to Latvia, such as those by Secretary of State Antony Blinken.

Partners and supporters



Embassy of the Republic of Latvia
to the United States of America



U.S. Embassy Riga



Latvian Investment and Development Agency of Latvia





LATVIAN INSTITUTE
OF INTERNATIONAL AFFAIRS

The Latvian Institute of International Affairs (LIIA) is the oldest Latvian think tank that specializes in foreign and security policy analysis. LIIA was established in 1992 as a non-profit association with the aim of providing Latvia's decision-makers, experts, and the wider public with analysis, recommendations, and information about international developments, regional security issues, and foreign policy strategies and choices. It is an independent research institute that conducts research, develops publications, and organizes public lectures and conferences related to global affairs and Latvia's international role and policies.

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