European Elections monitor

Latvia: general elections in an atmosphere of extreme concern about Russia

Corinne Deloy

Summary:

Translated by Helen Levy



As provided for by the electoral law the Latvians are going to ballot on the first Saturday in October (4th) to renew the 100 representatives of the Saeima (parliament). 1,156 candidates, of whom 380 are women from 13 political parties, are registered for this election.

The electoral campaign in fact started on 27th November 2013 with the resignation of the Prime Minister Valdis Dombrovskis (Unity, V) following the collapse of the roof of a supermarket belonging to the Maxima chain in Zolitude, a suburb of Riga on 21st November. The accident led to 54 deaths and 39 injured. The government declared national mourning three days after the incident, the worst ever seen in Latvia. The Mayor of Riga, Nils Usakovs (Harmony Centre, SC) condemned the decision taken by the government in 2009 to dissolve the state owned Buildings Inspections Office and to privatise the construction certification system. The latter also criticised the government for blaming the lack of surveillance of the construction work on the local authorities, which had been deprived of the necessary means to undertake this kind of work.

A NATION RECOVERING FROM A SERIOUS ECONOMIC CRISIS

Laimdota Straujuma (V) replaced Valdis Dombrovskis as head of government on 22nd January last. The government coalition that she leads includes her party, Unity, the Reform Party (R) led by Vjaceslavs Dombrovskis, the National Alliance led by Gaidis Berzins and Raivis Dzintars and the Greens and Farmers' Union (ZZS) led by Raimonds Vejonis.

Latvia's growth rate stands at 4.6%. Even though its unemployment rate is falling (8.6%) this figure is

still high and salaries are low. Riga adopted the single currency on 1st January this year. The euro should help businesses increase investments and help to raise the rating of the sovereign debt. However it has been difficult for Latvians to give up the lat, the national currency re-introduced in 1993, as it is considered to be a symbol of national renaissance and a vital component of the country's identity.

Over the last few years the Latvians have made many sacrifices to help their country emerge from the economic crisis of 2008 and 2009, when the GDP contracted by 17.7%. At the end of 2008 the Latvian economy had dropped to its 2005 level. The country was only saved from bankruptcy in December 2008 thanks to loans of 5.27 billion lats $(7.05 \text{ billion } \mathbb{C})$ granted to it by the IMF $(1.3 \text{ billion } \mathbb{C})$ and the European Union $(3.1 \text{ billion } \mathbb{C})$. The country received 1.4 billion \$\frac{1}{2}\$ from the Nordic countries, 400 million \$\frac{1}{2}\$ from the European Bank for Reconstruction and Development (EBRD).

Prime Minister Valdis Dombrovskis then implemented an unprecedented austerity policy, one of the harshest in Europe: he made severe budgetary cuts, reduced retirement pensions by 10% and reduced social aid and the number of civil servants (12,700 less than in October 2009 in comparison with the end of 2008) and their salaries (-35%). Six months after coming to office he also increased taxes: +3 points on income tax and +3 points on VAT. These measures were extremely hard for the majority of the population.

2014, THE HARMONY CENTRE'S YEAR?

Harmony Centre was created by the alliance of the Socialist Party (LSP) and the Social Democratic Party (TSP). Founded in 2005 it is chaired by the Mayor of Riga, Nils Usakovs. Whilst the Russian-speaking parties were marginalised for a long time in Latvia Harmony Centre has progressed over the last few years because of the (relative) decrease in the polarisation of the electorate. It has won back the electorate of the most radical left-wing Russian-speaking parties. It now stands as a centre-left party that is ready to work with all of the other parties! It won the local elections on 7th June 2009 when it took the town hall of Riga. Nils Usakovs was re-elected on June 1st 2013. However no Russian-speaking politicians has ever taken part in government since Latvia's independence in 1991. The country comprises 2/3 of Latvians and a Russianspeaking community, about 600 000, i.e. 1/3 of the population.

The economic crisis has strengthened the party that has finally benefited from its exclusion from power. Indeed since it has never had any responsibilities it deems itself exempt of any blame and it can now position itself as a party of change. It is attracting voters who are disappointed. And for the first time Harmony Centre is standing alone in the general elections i.e. without its socialist partner.

During the European elections in May it won 13.04% of the vote and one seat. It was easily beaten by Unity which won 46.19% of the vote and four seats and also by the For Fatherland and Freedom Union, which won 14.25% of the vote and one seat.

The events Ukraine have probably strengthened the government parties: military manoeuvres by the Russians are raising concern and the threat posed by Moscow is felt more strongly than elsewhere.

Nils Usakovs is Harmony Centre's candidate for the post of Prime Minister. Around twenty members of the party's partner movement in Riga - Proud to serve Riga (Gods kalpot Rigai, GKR), created on what was left of the alliance, Latvia's First-Latvian Way (LPP-LC) and led by Deputy Mayoe Andris Ameriks, are standing on the party's lists.

THE OTHER PARTIES IN THE RACE

Unity, the party in office since 2009 is standing as a pragmatic, economically competent party. It is campaigning on the results it has achieved over the five years it has spent in government and notably on the capacity it has shown to improve the country's economic situation. Valdis Dombrovskis was Prime Minister from March 2009 and January 2014, the longest mandate in Latvia's history. He has been appointed to be European Commissioner in the Commission to be run by Jean-Claude Juncker.

Unity (V) has signed an agreement with six regional parties in these elections. The party is putting forward 115 candidates, of which 6 are outgoing ministers and 24 outgoing MPs. Outgoing Prime Minister Laimdota Straujuma will lead the list in the constituency of Vidzeme: the leader of Parliament Solvita Aboltina will lead in Kurzeme, Foreign Minister Edgars Rinkevics will lead in Riga, Janis Reirs in the district of Zemgale and Transport Minister Anrijs Matiss in Latgale.

The Greens and Farmers' Union (ZZS), a member of the outgoing government, is formed by the Union of Latvian Farmers, the Green Party, For Latvia and Ventspils led by Aivars Lembergs, the Liepaja Party and the Livani Party. It is putting forward 115 candidates. Agriculture Minister Janis Duklavs is leading the Vidzeme list, the leader of the party, Augusts Brigmanis heads the list in Zemgale; Defence Minister Raimonds Vejonis leads the list in Latgale.

Einars Repse, former Prime Minister (2002-2004) and founder of New Era (Jaunais Laiks, JL), which is now part of Unity, created a new party at the end of 2013, For the Development of Latvia (Latvijas attistibai). "We have identified three priorities: the healthcare system, education and the economy. These are the areas that have not been well managed by the outgoing government, either out of lack of political will or because of a lack of people that are able to act," declared Einars Repse, who will lead the Vidzeme list. Juris Puce, the party's general secretary, will lead in Riga and he is also the party's candidate for the post of Prime Minister.

No sirds Latvijai (With all our heart for Latvia) was created last January by Inguna Sudraba, who has made the fight to counter corruption her main priority, is positioned to attract many voters, notably those of the former Reform Party of former President of the Republic (2007-2011) Valdis Zatlers. According to the polls No sirds Latvijai is due to be the only recently created party to rise above the obligatory 5% voting mark to enter parliament. "Inguna Sudraba has built a reputation for being a defender of justice and there is high demand on the part of the electorate for this," declared Janis Ikstens, a professor of Political Science at the University of Latvia. Inguna Sudraba will lead the list in Riga. No sirds Latvijai is putting 105 candidates forward.

The party, United for Latvia (Vienoti Latvijai), founded by former Deputy Prime Minister (2002-2004) and former Transport Minister (2004-2009), Ainars Slesers, has set itself the goal of winning 15% of the vote. Ainars Slesers, who is standing in Rig,a has rallied some experienced personalities to lead his lists: former Prime Minister (2007-2009) Ivars Godmanis in Vidzeme, former Prime Minister (2004-2007) Aigars Kalvitis in Zemgale, former Foreign Minister (1990-1992) Janis Jurkans in Latgale, the former leader of the For the Fatherland and Freedom party (TB/LNNK) Janis Straume in Kurzeme. Ainars Slesers has said that the one amongst this group who wins the greatest number of votes will become the party's candidate for the post of Prime Minister.

THE LATVIAN POLITICAL SYSTEM

Since 1998 the 100 members of the Saeima have been elected for a four year period according to the proportional Sainte-Lagüe method. The electorate votes for a list but can write a plus or a minus sign next to the name of the candidate (s) of their choice on this list to promote or exclude them. A political party has to win at least 5% of the votes cast to be represented in Parliament.

Latvia is divided into five electoral districts: Riga (which is also the constituency in which Latvians living abroad vote), Vidzeme, Latgale, Zemgale and Kurzeme. The number of seats available in each constituency (which ranges from 13 to 29) is set by the Central Commission four months before the vote according to the number of people registered on the electoral rolls. Candidates must be aged at least 21. Former USSR agents, or those of the former Socialist Soviet Republic of Latvia and those of the secret services or counter espionage are ineligible in the general elections. People who worked as technicians in the former Soviet secret services have since 2009 been allowed stand in the election.

Latvia is the only EU country not to have legislation on subsidies granted to political parties. As a result high dependency on oligarchs and even on funding from abroad is one of the country's main problems. Very quickly business leaders integrated the political movements and parties that emerged when the communist system collapsed and independence was regained in 1991. They are still represented in the institutions, which prevents the political system from becoming autonomous (parties are not considered as public institutions) and impedes the emergence of a truly Latvian civil society.

- 5 political parties are represented in the Saeima at present:
- Harmony Centre (SC), the main left-wing opposition party led by Nils Usakovs, 31 seats;
- the Reform Party (R), part of the outgoing government created by former President of the Republic (2007-2011) Valdis Zatlers on 23rd July 2011 and led by Vjaceslavs Dombrovskis. It won 22 seats in the last general election but 6 people have defected during this term in office hence it now only has 16 seats;
- Unity (Vienotiba, V), of outgoing Prime Minister Laimdota Straujuma led by leader of the parliament Solvita Aboltina, 20 seats;
- the National Alliance rallies For the Homeland and Freedom (TB/LNNK), led by Gaidis Berzins, and All for Latvia (VL), led by Ratvis Dzintars. An outgoing government, member it has 14 seats;
- the Greens and Farmers' Union (ZZS), an outgoing government member, is chaired by Raimonds Vejonis, and has 13 seats.

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Reminder of the general election results in Latvia 17th September 2010

Turnout: 59,49%

Political Parties	No of votes won	% of votes cast	No of seats
Harmony Centre (SC)	259 930	28,36	31
Reform Party (R)	190 853	20,82	22
Unity (Vienotiba, V)	172 567	18,83	20
National Alliance	127 208	13,88	14
Greens and Farmers' Union (ZZS)	111 955	12,22	13
Others	55 167	5,89	0

Source: Central Electoral Commission of Latvia (http://www.velesanas2011.cvk.lv)

According to the most recent poll by Latvijas Fakti published on 5th September, Harmony Centre is due to win the election with 21.1% of the vote. It is due to followed by Unity with 17.3%. The Greens and Farmers' Union is due to win 8.2% and the National

Alliance 5.8%.

No other party is due not due to rise above the obligatory 5% mark. No sirds Latvijai is only due to win 4.6%. One quarter of the electorate (22.3%) say that they have not yet decided how they will vote.

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