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Crisis Management in Transitional Democracies: The Baltic Experience*

WESTERN-STYLE STRUCTURES OF DEMOCRACY AND MIXED ECONOMY have been up and running in Central and Eastern Europe for more than ten years now. It has been a decade of dramatic, sometimes traumatic, transformations. The lines between triumph, tragedy and consolidation and destabilization have proved to be thin at times. During this first decade, governance in the new democracies of Europe has been beset by turbulence and crisis. The uneven road to the consolidation of democracy in the region has been well-documented by comparative politics scholars,[1] as have been the efforts of these countries to rebuild their public administrations.[2] Most of these studies, however, focus on the macro level of regime transformations or rather descriptive, institutional analyses of the political system and governmental apparatus. More rare are studies of the new democracies at work, i.e., meso-level comparative analyses of public policy-making and implementation processes.

[1] E.g. G. Pridham and T. Vanhanen (eds), *Democratization in Eastern Europe*, London, Routledge, 1994; A. Lieven, *The Baltic Revolution: Estonia, Latvia, Lithuania and the Path to Independence*, New Haven, Yale University Press, 1994; J. J. Linz and A. Stepan, *Problems of Democratic Transition and Consolidation*, Baltimore, Johns Hopkins University Press, 1996; J. Elster, C. Offe, and U. Preuss, *Institutional Design in Post-communist Societies: Rebuilding the Ship at Sea*, Cambridge, Cambridge University Press, 1998; J. Zielonka and A. Pravda (eds), *Democratic Consolidation in Eastern Europe: Volume 2 – International and Transnational Factors*, Oxford, Oxford University Press, 2001.

[2] J. J. Hesse and N. Johnson (eds), *Constitutional Policy and Change in Europe*, Oxford, Oxford University Press, 1996; T. Verheyen and J. Coombs (eds), *Innovations in Public Management*, Cheltenham, Edward Elgar, 1999.

In this article we open the black box of governance in the new democracies by examining episodes where these governments are confronted with urgent threats that require swift and decisive state responses. This provides a unique insight into how political and administrative decision-making actually takes place. It enables us to analyse and evaluate the performance of the new institutions at times when it matters most.[3] Specifically, we discuss how three of these new democracies, the Baltic states, have dealt with risks and crises in vital societal and political domains such as health and safety, public order, economic management and foreign policy. All belong to the core of the classic state functions.

In a rapidly changing Europe where concerns about risk, safety and security have reached the top of the public agenda, crisis management constitutes a major challenge to the capacity to govern.[4] This is especially true for transitional democracies. In fact, any new regime, however welcome the break with the authoritarian past that it initially constituted, that proves chronically unable to cope with highly visible, politically salient and symbolically significant risks and threats, is unlikely to survive unscathed. Democracy cannot take root if citizens find out — often at their own cost — that the new public institutions are not resilient under pressure.

Even in established democracies, where risk and crisis management is a deeply institutionalized state function that is less fraught with ambivalence and unease than in post-communist societies, crises have become focal points of conflict and critiques of government performance rather than occasions for depoliticized, technocratic 'management'.[5] In transitional polities, the stakes are higher still: 'crises' are endemic and have a regime-threatening potential that tends to be lacking elsewhere.[6] How and why are new democracies

[3] See, e.g. M. Dogan and J. Higley (eds), *Elites, Crises and the Origins of Regimes*, Lanham, Rowman & Littlefield, 1998.

[4] P. 't Hart, E. Stern and B. Sundelius, 'Crisis Management: An Agenda for Research and Training in Europe', *Cooperation and Conflict*, 33 (1998), pp. 207–24.

[5] U. Rosenthal, R. A. Boin and L. K. Comfort (eds), *Managing Crises: Threats, Dilemmas, Opportunities*, Springfield, Charles C. Thomas, 2001; Cf. B. Buzan, O. Waever and J. de Wilde, *Security: a New Framework for Analysis*, Boulder, Colo., Lynne Rienner, 1998.

[6] L. Binder et al. (eds), *Crises and Sequences of Political Development*, Princeton, Princeton University Press, 1971; G. Almond, S. Flanagan and D. Mundt (eds), *Crisis, Choice and Change*, Boston, Little, Brown, 1973; J. J. Linz and A. Stepan (eds), *The Breakdown of Democratic Regimes*, Baltimore, Johns Hopkins University Press, 1978.

vulnerable to disasters, disturbances and other critical contingencies? And how do they deal with the crises they encounter? These are the central questions of this article.

In answering these questions we draw upon 21 detailed case studies of crisis episodes in Estonia, Latvia and Lithuania in the 1990-2000 period (for case abstracts, see Appendix). The case analyses have been guided by a common theoretical framework drawn from the international, multidisciplinary literature on crisis management.[7] It requires analysts first to dissect the course of events that make up a particular crisis episode into a number of key 'occasions for decision'. These are events or developments that require government actors with strategic and operational responsibilities to make choices, i.e. to allocate resources, disseminate or withhold information, invoke or discard laws, ask or decline external support, negotiate or use force, etc. Subsequently, the decision-making processes that unfold in response to each of these occasions are reconstructed in detail by use of government documents, media coverage and interviews with participants. Next, the case data are analysed using various key propositions from the crisis literature. These demonstrate that crises have a certain impact upon the political and bureaucratic framing of public problems, the organization of policy-making, the dynamics of information processing and external communication, policy coordination, and post-crisis accountability and learning. The systematic use of this framework has resulted in highly comparable case descriptions and thematic analyses, which make it easy to identify and interpret similarities and differences across cases and countries. The detailed case studies have been reported in separate country volumes, where source accounts can be found.[8]

This data-set is used here as the empirical basis to illustrate a series of tentative propositions that aim to capture the specific characteristics of crises and crisis management in transitional democracies, e.g., countries where crisis management tends to be a

weakly institutionalized and politically delicate function. In the period under study, the three Baltic states were caught between the past and the future as regards crisis management. They were countries with a legacy that tends to generate crises, yet at the same time handicaps efforts by contemporary governments to rebuild the state's security functions, which are crucial to effective crisis preparedness and response. They were, and still are, governments seeking a future within the European mainstream. For that reason they find themselves constrained from dealing with crises in the 'old' ways still embedded in their political and administrative culture and in their collective memory. With these kinds of cross-pressures, crisis management tends to be an erratic, unpredictable process with major political risks for the policy-makers and agencies involved.

We shall first assess the degree to which these three transitional democracies are crisis prone, by examining the mechanisms by which negative events and social tensions escalate into severe challenges to the coping capacity and legitimacy of public institutions. Secondly, we shall examine the efforts that the three Baltic governments have made to (re)build their crisis management capacities. Thirdly, we shall trace patterns in the ways these states have responded to the crises they encountered in the first ten years of their renewed independence.

NEW DEMOCRACIES AS CRISIS-PRONE POLITIES

Public problems are more likely to escalate into political crises when old norms, rules, organizations, routines and other public sense-making structures have been abolished, compromised or have otherwise abruptly lost their binding character before any alternative structures have settled firmly into the 'conscience collective'.[9] For example, crises in the socio-economic sphere are likely to result when there has been a swift change of the basic foundations of the macro-political and macroeconomic order, yet at the same time there is a persistence of traditional practices at the meso- and micro-level of society and government. Political crises may take the form of dramatic attempts to challenge or destabilize new regimes by exponents of the old (as happened in Russia in 1991 and 1993). More frequently

[9] L. Binder et al., *Crisis and Sequences*; E. K. Stern and D. Hansén, ibid.

they are forms of collective protest from citizens or interest groups whose post-authoritarian rising expectations flounder on their daily experiences of policy fiascos, organizational pathologies and pervasive uncertainty about the future.[10] Indeed the very pace and depth of the reform experiments that pervade all parts of the public sector in post-communist states (organization of government, public infrastructures, economic management) are by themselves likely to generate unforeseen and unwanted consequences. Many of these can quickly be experienced as crises. A familiar example is the so-called economic adventurism ('shock therapy') of the early post-communist era in countries like Poland and Russia. This resulted in privatization quagmires and endangered the viability of, among others, the financial sector and/or social services arrangements. Similarly, democratization has brought freedom of speech to these political systems. Yet, with it has come increased and more critical media exposure of perceived failures of the public sector. In the absence of a firmly rooted culture of democratic public debate, political blaming, information warfare and politically manufactured crises have resulted.[11]

In short, transitional democracies are less robust governing systems than either established democracies or firmly entrenched authoritarian regimes. The results of the 21 cases from three such vulnerable democracies seem to support this argument. They point to several recurring factors that increased the escalation potential of what otherwise might have been mere incidents or isolated tragedies.

Chronic Lack of Means to Maintain Safety. All three governments experienced major economic setbacks during the first decade of independence, some self-inflicted, that forced them to cut public expenditure quite drastically. These have reverberated not just in the socio-economic sphere, and have handicapped the states' capacity for crisis prevention and preparedness. In Latvia, for example, the tuberculosis (TB) and tick-borne encephalitis (TBE) epidemics could not be halted effectively. The state could not fund the necessary inoculation, education and treatment programmes, nor could most citizens afford to pay for their own medication. In addition, in the new era the state no longer possessed the legal means to isolate TB

[10] See T. R. Gurr, *Why Men Rebel*, Princeton, Princeton University Press, 1971; A. O. Hirschman, *The Rhetoric of Reaction: Perversity, Futility, Jeopardy*, Cambridge, Mass., Belknap Press of Harvard, 1991.

[11] E. K. Stern and D. Hansén, *Crisis Management in a Transitional Society*; cf. M. Edelman, *The Politics of Misinformation*, Cambridge, Cambridge University Press, 2001.

patients and compel them to undergo treatment, which had been common and effective in the Soviet period. Given the high rate of uneducated and unwilling patients, the disease spread quickly, and mortality rates rose significantly. In Estonia, the newly formed crisis monitoring and response system (see below) was continuously plagued by lack of money. In November 1993, a government crisis group had to give up its 24-hour surveillance and readiness system because funding was short. Later on, the national crisis centre was allocated a budget that allowed for only two months' salary for its personnel.

Institutional Reform: Too Much and Too Little. Like the other former Soviet republics, the Baltic countries had to manage the transition from authoritarian to democratic rule at the same time as the transition from a socialist to a mixed economy. They were not spared the adverse effects of the politico-economic de-institutionalization and experimentation of the era. Some fiascos were the result of overzealous adoption of laissez-faire capitalist policies, such as the liberalization of the banking system. In both Lithuania and Latvia the virtual abandonment of regulatory involvement in this area paved the way for reckless adventurism in portfolio management and, as in the 1995 Banka Baltija scandal in Latvia, possible fraud. When the largest commercial bank in the Baltic States was declared insolvent, more than 20,000 companies and 250,000 individuals (in a total population of less than 2.6 million) were severely affected.

In other instances it was the reluctance to embrace Western-style fiscal policies and pursue privatization of state monopolies that lay at the root of the transitional problem. When the Russian currency and economy collapsed in 1998, Latvia and particularly Lithuania, which had shied away from the 'shock therapy' approach to economic modernization in the early 1990s, paid a heavy price for their continued dependency on Russian imports and exports. In Lithuania there was a serious risk of state default following the Russian economic collapse. This necessitated another round of devastating social security and welfare cutbacks and triggered a major political crisis. Estonia, in contrast, which had begun to diversify its economy and had stabilized its currency well before the Russian crisis, was affected much less. In fact, in 1997 it briefly suffered from the reverse problem of economic overheating, but managed it successfully. Estonian prospects for entry to the EU were significantly enhanced, whereas Latvia's and Lithuania's accession ambitions experienced setbacks.

Shadows of the Past. Their joint past as involuntary parts of the Soviet Empire left the three Baltic states with a few disturbing legacies besides their weak and immobile economies. Artificially induced ethnic pluralism[12] and deep-seated popular distrust of the former occupying empire proved to be particular sources of vulnerability and polarization. Decades of Soviet Russification policies had brought fundamental demographic changes to the Baltic region: in 1945, for example, 95 per cent of the Estonian population was Estonian, in 1989 only 61.5 per cent; for Latvia the percentage of ethnic Latvians dropped from well over 80 to 52 per cent in the same period. In many towns and regions, ethnic Russians constituted a strong majority. In the transition process, these residents were nevertheless caught in the wheels of history.[13]

The Estonian and Latvian independence proclamations each stated that the country had been occupied illegally by Soviet forces and annexed by Soviet rulers and that the people had the right to restore their statehood. This implied that the hundreds of thousands of mostly ethnic Russians that had migrated to the Baltic republics following annexation were suddenly 'non citizens', even if they had lived there for decades or were born there. With strong support from their nationalist constituencies, the new regimes in both countries initially opted for highly exclusionist citizenship policies. Ethnic Russians would have to reapply and meet certain stringent demands including a language exam. This created domestic tensions, as well as highly critical responses from the Kremlin.

In Estonia, the focal point of these latent conflicts became the drafting of the new citizenship law.[14] Notwithstanding considerable pressure from the OSCE and the Council of Europe to take a moderate stance, in 1993 the Estonian parliament adopted a Law of Aliens that created a highly uncertain future for all 'non citizens'. This led to demonstrations and secessionist referendum initiatives

[12] M. Mandelbaum (ed.), *The New European Diasporas: National Minorities and Conflict in Eastern Europe*, New York, Council of Foreign Relations, 2000.

[13] G. Smith (ed.), *The National Self-determination of the Baltic States*, London, Macmillan, 1996, p. 7.

[14] T. U. Raun, 'Estonia: Independence Redefined', in I. Bremmer and R. Taras (eds), *New States, New Politics*, Cambridge, Cambridge University Press, 1997, pp. 404–33; V. Pettai, 'Estonia: Positive and Negative Institutional Engineering', in J. Zielonka (ed.), *Democratic Consolidation in Eastern Europe*, Volume 1, Oxford, Oxford University Press, 2001, pp. 111–38.

in ethnically Russian towns such as Narva and Sillamäe. Redoubled international efforts to prevent the law from passing eventually paid off when the president vetoed the bill. A year later, radical nationalists tried a back-door approach by proposing a quota system for the legalization procedures under the new law. Tensions rose again. Western diplomacy ensued, and eventually a legislative compromise was reached.

In Latvia, the citizenship issue did not become a national crisis until 1998, and almost by chance.[15] It was triggered by a demonstration of Russian pensioners against price increases for heating, which turned sour and led to police intervention. Television images of policemen beating elderly demonstrators infuriated Russian media and caused concern in Western Europe. Days later, a public gathering of Latvian war veterans, including those that had served in the Waffen SS, aggravated the situation, particularly when it transpired that high-level officials had attended the meeting. Two bombing incidents, one aimed at the Russian embassy, added to the mood of crisis. Again, persistent OSCE and EU diplomacy helped diffuse the situation by facilitating the adoption of less exclusionist laws, only to be faced a year later with yet another nationalist attempt to frustrate minority integration (focusing on a tough language law). This required another all-out Western diplomatic effort in order to ensure a presidential veto.

Russia loomed large in both these citizenship conflicts, as it did in many other ways in all three countries. The political instability in Russia during most of the decade fed fears about possible imperialist relapses. In Lithuania, the 1991 economic blockade by the Soviet regime left deep scars in public memory and a grim determination among its elites to escalate the speed of secession. In all countries, Russian offers of security guarantees were considered by parties of all persuasions to be thinly veiled threats by an erratic yet daunting giant. The 1991 coup attempt and the 1993 Moscow power struggle generated tension in all the Baltic states, with government crisis meetings, diplomatic soundings, military contingency planning and delicate issues of public communication and censorship being the order of the day. The Russian characterization of the Baltic region

[15] G. Manssen and B. Banaszak, *Minderheitenschutz in Mittel- und Osteuropa*, Frankfurt, Lang, 2001; V. Pettai, 'Estonia and Latvia: International Influences on Citizenship and Minority Migration', in J. Zielonka and A. Pravda (eds), *Democratic Consolidation in Eastern Europe*, Volume 2, pp. 257–80.

as 'the near abroad' was not appreciated. From time to time, the 'Yalta two' analogy was invoked to articulate fear that possible Russian attempts to reconstruct the Soviet empire might not be countered forcefully by Western powers.

Transnational Dependencies. Although politically independent since 1991, the Baltic states were economically and strategically exposed. Seeking integration into the West was the predominant way of dealing with this vulnerability. Doing so involved political pressure to adopt domestic policies that proved painful and controversial, sometimes to the extent of creating rather than resolving crises in the public domain. In Lithuania for example, initially the most reluctant of the three to pursue a Western-style economy, strong Western pressure to close the Ignalina nuclear power plant (a Soviet product of the same type as Chernobyl) put policy-makers in an almost impossible position. The EU Commission issued ultimatums that the failure to take concrete steps to close the 'unsafe' reactor would destroy Lithuania's prospect for accession. Yet 88 per cent of the country's power supply came from nuclear energy, and alternative sources of energy would in the short run prove financially disastrous for the country. At a time of deep economic recession, going public with a decision that would de facto increase the cost of living considerably would amount to political hara-kiri for the government. Playing for time by pledging to improve safety provided little relief from the international pressure. When the government finally accepted a national energy strategy that did promise eventual closure of the plant, it backfired. Widespread opinion held that this was an unsustainable price to pay for EU membership and the issue remains unresolved. Similarly, other efforts in Lithuania to restructure its agricultural sector in anticipation of the EU *Acquis* and trade regulations produced sustained protests by farmers and roadblocks, not unlike those faced by member state governments pursuing EU-driven agricultural reforms.

BUILDING NEW CRISIS MANAGEMENT STRUCTURES

Political scientists studying the Baltic States after their independence have mostly focused on the institutional re-engineering that went on at the constitutional level and in the field of macroeconomic

management.[16] In addition to these high-profile reform struggles, parallel modernization efforts were made in many different fields of government activity, including what can be broadly termed civil security.[17] A brief comparison of the three Baltic countries' experiences shows the common challenges and pitfalls they faced, and the somewhat convergent routes they took to enhance their capabilities to cope with future crises.

A more detailed comparison also shows that some fared better than others in this reform work. Various background factors, such as early exposure to Western media, economic dependencies, ethnic composition and differing senses of cultural identity can help explain these variations in institutional performance among these small countries which can appear strikingly similar in general terms. Significant differences among them lead many insiders to question the shared notion of a Baltic community or a distinct Baltic political region comparable to the Scandinavian model of government or the Nordic community of shared political values.

The Estonian Experience. More durable legal and organizational structures for crisis management emerged in Estonia during the latter half of the 1990s.[18] The legislative and planning focus was gradually widened beyond the initial preoccupation with terrorism to include a much broader, generic approach to crisis management. Political and bureaucratic momentum for crisis management planning was sustained by personal sponsorship of the issue by the prime minister as well as by a steady stream of critical incidents. These included: a Russian plane hijacking ending up in Tallinn in February 1993; a

[16] G. Pridham and T. Vanhanen, *Democratization in Eastern Europe*; N. Muznieks, 'Latvia: Restoring a State, Rebuilding a Nation', in I. Bremmer and R. Taras (eds), *New States, New Politics*, pp. 376–403; A. E. Senn, 'Lithuania: Rights and Responsibilities of Independence', in I. Bremmer and R. Taras (eds), ibid., pp. 353–75; T. U. Raun, 'Estonia: Independence Redefined'; H. W. Hoen, *Good Governance in Central and Eastern Europe: The Puzzle of Capitalism by Design*, Cheltenham, Edward Elgar, 2001; cf. K. von Beyme, 'Institutional Engineering and Transition to Democracy', in J. Zielonka, (ed.), *Democratic Consolidation in Eastern Europe*, Volume 1, pp. 3–24.

[17] A. Fornstedt (ed.), *Civil Security and Crisis Management in the Baltic Sea Region*, Stockholm, CRISMART, 2002; B. Porfiriev, 'Managing Security and Safety Risks in the Baltic Sea Region: A Comparative Study of Institutional Crisis Policy Models', *Risk Management: An International Journal*, 3 (2001), pp. 51–62.

[18] J. Tross, 'Crisis Management in the Republic of Estonia: An Historical Overview', in E. Stern and D. Nohrstedt (eds), *Crisis Management in Estonia*, pp. 22–59.

secession effort in July 1993 in a region dominated by ethnic Russians; a creeping conflict involving the refusal of a military unit to become incorporated into the Estonian Defence Forces; the Russian parliament's escalating power struggle with President Yeltsin; a bomb explosion in the US embassy courtyard in September 1993; the sinking of the MS Estonia leaving almost 900 people dead in September 1994, and in November 1994 another Russian plane hijacking. These dramatic events gave a sense of urgency to the whole enterprise.

Precisely because of its high salience, the institutional set-up of crisis management planning became the subject of a protracted struggle between the Ministry of Internal Affairs and a government-wide Crisis Committee formed in 1994. The ministry wanted to take over the Committee and embed it in its links with the military and the sub-national levels of government. The Committee itself wanted to remain part of the State Chancellery, under the protection of the prime minister. The latter view prevailed in the course of 1995, albeit after a series of acrimonious interdepartmental and cabinet exchanges. In 1996 two crucial emergency laws were passed and a more operational Crisis Management Team was set up. Step by step, the Soviet-based, military-style civil defence system was transformed into a comprehensive civil protection system. Nevertheless, the new role of the civil protection system vis-à-vis national defence planning remained a touchy issue, as did the question when and how the military could be deployed during peacetime emergencies. Issues of long-standing constitutional concern in many Western countries became acute during these years of democratic transition.

The Latvian Experience. In the Soviet era, civil security in Latvia was part of the military system, aimed at protecting the population from weapons of mass destruction in wartime. The preoccupation with coercive methods to force mass participation in various training activities had led to widespread popular scepticism and indifference. Moreover, newly independent Latvia was beset by rather different threats including recurrent forest fires, infectious diseases such as TB, economic hardship and socio-ethnic cleavages escalating into acts of political violence. Prompted by these emergency triggers, Latvian legislators tried hard to create the legal basis for a more generic crisis management system.[19] These efforts collapsed in the

[19] T. Jundzis, 'Institutional History of Crisis Management in Latvia', in E. Stern and D. Hansén (eds), *Crisis Management in a Transitional Society*, pp. 39–60.

mid-1990s when macroeconomic and fiscal problems depleted the budget for civil security reform. In addition, they were hampered by outdated and badly maintained equipment, a lack of strategy and leadership, and lingering public distrust.

It was not until 1998, with the advent of multiple crises in rapid succession that crisis management capacity-building regained political momentum. The civil defence law was amended, the old Civil Defence Centre abolished, and crisis management responsibilities were reallocated to the State Fire and Rescue Services. A National Emergency Operations Committee was established under the prime minister. Soon after, the more comprehensive approach led to the creation of a Crisis Control Centre at cabinet level, in which political-military and civil emergency types of crisis management would be integrated. Again, economic problems interfered. In 1999 the incoming government scrapped the new centre as part of sweeping public expenditure cuts. A more cautious, incremental approach to modernize crisis management legislation, infrastructure and planning followed. Lack of money and political consensus in favour of reform persist into the present.

The Lithuanian Experience. The Lithuanian picture is similar to that of Latvia and Estonia. Politically volatile, overburdened, underfunded governments beset by a plethora of critical contingencies and acute crises struggled to build a crisis management system against the backdrop of a tainted, Soviet military past.[20] Consequently, Lithuanian policy-makers have been drafting reform legislation on the run. On the one hand, lulls of inactivity and political paralysis were broken when some crisis hit the country, and a flurry of activity resulted. On the other hand, given the rapid turnover of governments in the first decade of independence, crisis policy was made mainly by policy-makers trying to outpace their own political demise. Or it was made by caretaker governments that knew they could not touch the major issues of the day, and took the opportunity to handle 'low politics' matters, such as emergency preparedness and crisis management planning.

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[20] L. Talat-Kelpsa, 'Institutional History of Crisis Management in Lithuania', in E. Stern and L. M. Newlove (eds), *Value Complexity and Crisis Management*.

In the Lithuanian semi-presidential regime context, constitutional flexibility is large, and institutional competencies are not clear-cut.[21] This has created room for manoeuvring and rivalries among political leaders and bureaucratic agencies. Perhaps more than in the other two countries, the Lithuanian Ministry of Defence succeeded in keeping its 'inherited' lead role for several years. It took an intervention by the newly elected president, Adamkus, in 1998 to broaden the institutional definition of crisis management and reallocate coordination responsibilities to the very centre of government. The 1998 Civil Protection Act classifies crises according to their scope and origin and provides for a division of authority at all levels of government. Military contingencies were relegated to just one among many possible emergencies. A government Emergency Commission was established to be the principal coordination mechanism, headed by the prime minister and assisted by an emergency control centre. In keeping with the new logic of democratization and privatization, the old 'directive approach' to requisition private sector resources was replaced by consultative and contractual mechanisms.

Comparative Observations. Although there is considerable variation in the timing, legislative philosophy and institutional approach between the three Baltic countries, the overall process of rebuilding crisis management capacity bears similarities. First, the felt need to shed the Soviet era wartime civil protection legacy has been a main impetus in all three countries. In this sensitive area of state responsibility and power, it was seen as important to establish a new, civilian-led, more comprehensive, democratically accountable and yet coherent and competent crisis management system. Secondly, frequent crisis events besetting the three countries during the transitional phase drove home the need to prioritize this area of institutional development, both in terms of legislative speed and allocation of resources (although the latter remained a shared problem). Paradoxically however, because the three governments were perpetually busy handling economic, diplomatic and constitutional crises all the time, they knew how important crisis planning was. Still, they found it hard to find the time to develop properly a crisis planning framework. Moreover, developing policy in the lulls between

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[21] D. Urbanavicius, 'Lithuania', in R. Elgie (ed.), *Semi-Presidentialism in Europe*, Oxford, Oxford University Press, 1999, pp. 150–69.

various crisis episodes created the risk of modelling reform on the experience of the most recent crisis rather than on a clear view of the full range of contingencies for which it might be needed. Thirdly, recurrent political turmoil and speedy turnover of governments made for a rather disjointed and unpredictable process. Crisis management advocates in high places could be in office one day and gone the next. This gave the legislative and administrative process a rather chaotic quality.

All countries experienced severe financial problems and knowledge gaps. They looked for foreign models, partners and sponsors to help them. Partly for strategic reasons, all three were keen to engage in EU-, NATO- or OSCE-sponsored crisis management programmes. For example, the Lithuanian government sent troops to Bosnia for peace-keeping duties, even in the face of domestic criticism of the cost at a time of great resource scarcity and acute social problems at home. In the face of similar domestic opposition, it also went along with Danish-led efforts to clean up its border patrols and migrant reception facilities, when the growing numbers of refugees and illegally transiting migrant workers took the country by surprise in the mid-1990s. Similarly, the Estonian government faced such trade-offs between European standards of treatment and local lack of interest in the well-being of asylum seekers.

Despite its evident flaws and setbacks, it would be a mistake to dismiss the past decade of crisis management planning in the three Baltic countries. At least two of them have made major legislative advances. In just ten years, the conceptual thinking about crisis and security policy has undergone a paradigm shift away from the deeply entrenched inheritance from the pre-democratic past. The policy-makers have learned quickly to look beyond the ominous worst case (wartime contingencies) and become serious about being 'caring governments'. Political leaders were trained to try to prevent, prepare for and proactively respond to 'low-profile' crises as well. This kind of broad, generic approach to crisis management strategy and competence-building would have been impossible before independence.

In fact, the Baltic countries' proclivity to establish crisis centres at the core of the cabinet (e.g. directly under the prime minister) has in some ways been a step ahead of the 'pre-11 September' state of the art. In some of the established democracies in Europe, entrenched bureaucratic and intra-governmental segmentation of crisis

management functions has prevented the adoption of an integrative approach. At the same time, the three Baltic governments face deep public scepticism about their efforts on public safety, whereas in the West the need for a proactive government policy has been relatively uncontroversial. The main weakness of Baltic crisis management preparedness remains implementation, however. On paper, the three systems look greatly improved, in practice their performance capacity remains uneven at best.

PATTERNS OF CRISIS DECISION-MAKING

When it comes to responding to the various crises that new democracies are likely to encounter, it seems that in transitional democracies crises pose challenges not just to incumbent elites, but to the legitimacy of the political regime and its key institutions.[22] Given the unsettled and often conflictual political-administrative power structures, such adverse events offer major opportunities to counter-elites and alternative visions of the new political order.[23] In many ways, crisis episodes test the robustness of the democratic commitments of the new power-holders and institutions. This makes patterns of crisis response in new democracies much harder to predict than those in established democracies, where both the formal structures and informal rules of crisis management are well recognized by all parties concerned.

Our reading of the crisis and comparative politics literatures lead us to expect a number of regularities of crisis decision-making in transitional democracies. Centralized, oligarchic responses at the strategic level, in the face of a largely passive operational bureaucracy and fatalistic public, is likely. At the same time, intense internal governmental politics are expected, as crises constitute peak pressure points in ongoing institutional struggles. Considerable transnational influences on the substance and process of crisis responses are diffused through external dependencies. Standards of the appropriate European style are applied through co-optation into multilateral networks.

[22] D. Easton, *A Systems Analysis of Political Life*, Chicago, University of Chicago Press, 1965 (1979 edition).

[23] S. Tarrow, *The Power of Movement*, Cambridge, Cambridge University Press, 1994.

Governmental Politics at the Centre. During crises in transitional as opposed to established democracies, political and bureaucratic actors have been thought to be more likely to resort to top-down modes of 'closed centralization' in their crisis response patterns.[24] One cause may be attempts by individual politicians to exercise (quasi-)heroic personal leadership. The less well-defined, implemented and taken-for-granted governance institutions are, the bigger the scope that exists for ad-hoc 'strong men'. As Max Weber observed long ago, the charismatic bond between a leader and his followers is most likely to develop in times of hardship and widespread uncertainty.[25] Transitional democracies in crisis would seem to provide the appropriate conditions.

The evidence from the 21 cases studied here offers little support for the proposition that new democracies during crises regress to top-down, authoritarian structures of decision-making. In none of the three countries was the crisis management sphere entirely dominated by a single actor or institution. Distrust of anything resembling authoritarian rule proved to run so deep in these polities that there existed little scope for the construction of monopolistic modes of crisis response.[26] Nor did the occasional attempt at populist posturing by individual leaders succeed in giving them clean political sweeps. On the contrary, such moves nearly always backfired.

Comparative analysis of crisis management in Western states suggests that intra-governmental and inter-organizational coordination problems are a common feature in crisis response. Crises are mixed-motive contingencies: a threat to policy-makers and agencies whose performance is put on the line by the force of circumstance, as well as an opportunity for other players in a power game to prove themselves and improve their positions.[27] Crises provide critical junctures during which normally well-entrenched jurisdictions and

[24] P. 't Hart, U. Rosenthal and A. Kouzmin, 'Crisis Decision-Making: The Centralisation Thesis Revisited', *Administration and Society*, 25 (1993), pp. 12–45; J. J. Linz and A. Stepan, *Problems of Democratic Transition*.

[25] M. Weber, *The Theory of Social and Economic Organization*, New York, Free Press, 1974.

[26] See also E. Suleiman, 'Bureaucracy and Democratic Consolidation: Lessons from Eastern Europe', in L. Anderson (ed.), *Transitions to Democracy*, New York, Columbia, University Press, 1999, p. 163.

[27] U. Rosenthal, P. 't Hart and A. Kouzmin, 'The Bureau-politics of Crisis Management', *Public Administration*, 69 (1991), pp. 211–33.

prerogatives of institutional stakeholders are exposed and open to reinterpretation. Areas of overlap prove to be particularly sensitive in this regard. In principle, this could actually enhance crisis coping capacities, i.e. when institutional overlap fosters redundant, supplementary response mechanisms.[28] However, when allowed to develop unchecked, this kind of crisis-driven organizational profile-seeking and strategic jockeying may stand in the way of effective crisis communication and a coherent division of labour. At worst, it may generate an institutional crisis in its own right.

In the transitional context, institutional volatility is the rule rather than the exception. As we have seen above, many crisis management competencies are not yet firmly rooted. Manoeuvring for authority, budget allocations and other prerogatives are ongoing. Inter-organizational and intra-governmental relations are as yet unsettled and take place in soft, relatively malleable structures. When crises occur in early transitional regimes, they generate response settings that incorporate actors who are both less than certain about their own competence and unfamiliar with those of their counterparts. This is likely to trigger either of two rather extreme patterns of inter-organizational behaviour. Either we see self-seeking antagonism between organizations that perceive one another as rivals competing for dominance, or 'newgroup' behaviour is evident, i.e. a form of conflict-avoiding collective improvization during which all the actors taking part are susceptible to tendencies to conform with emergent norm-setting by ad-hoc leadership.[29]

From our case studies, it appears that there are more frequent, and more striking, indications of crisis-induced bureaucratic infighting than for the new-group pattern. For example, during the case of the Kurdish refugee influx into Estonia, which escalated into a hunger strike and a prison riot, and solicited widespread international criticism of Estonian refugee policies, there was deep disagreement between the ministry of the interior and the foreign affairs ministry. The former advocated a hard-line approach, the latter increasingly worried about the international repercussions of Estonia's tough

[28] M. Landau and D. Chisholm, 'The Arrogance of Optimism: Notes on Failure-avoidance Management', *Journal of Contingencies and Crisis Management*, 3 (1995), pp. 67–80.

[29] E. K. Stern, 'Probing the Plausibility of Newgroup Syndrome', in P. 't Hart, E. K. Stern and B. Sundelius (eds), *Beyond Groupthink: Political Group Dynamics and Foreign Policymaking*, Ann Arbor, Michigan University Press, 1997, pp. 153–90.

treatment of asylum-seekers. The conflict between these divergent perspectives and policy stances was so intense that the government as a whole felt a need to resolve the situation by creating a special high-level commission presided over by the impartial minister of justice.

Likewise, the case of the Russian offer of security guarantees to Latvia exemplifies a crisis landing in an institutional vacuum. Initially, there was an improvised response by the Latvian president. It had not been cleared with any minister or ministry and this impulsive initiative became an easy target for political and media criticism. The need for a more consolidated, authoritative response became even more pressing. Although it was as much a national security concern as a foreign policy issue, the Latvian foreign ministry seized the opportunity first. Taking advantage of the absence of any preparatory planning for this type of contingency, it quickly usurped the preferential right of interpretation. By framing the Russian offer as primarily a diplomatic problem, it tried to position itself as the lead actor in the drafting of the Latvian response. Soon after, however, other stakeholders, in parliament and the Council of National Security, openly questioned this manoeuvre.

Part of the reason why governmental conflict was so prevalent in many of these cases was that the incidents in a particular domain exposed more fundamental and overarching constitutional ambiguities and tensions. The drowning in the Kurkse Strait of fourteen Estonian soldiers training for international peace-keeping duties is a case in point. The day after the disaster, media focused on the question of accountability and blame for the accident, calling for the resignations of the defence minister and the military chief of staff. Both the minister and the chief of staff offered their resignations, but both were declined by the president. The government responded by setting up a top-level commission of inquiry. This report concluded that relations between the defence ministry and the defence forces headquarters had been so tension-filled that effective civilian control of the military had never been established following Estonia's independence. Technically, the chief of staff had never been subordinated to his minister. The military leadership regarded the president, the formal commander-in-chief of the defence forces, as its political superior. The defence minister was considered at best a nuisance but more often a rival. The Kurkse Strait incident brought this delicate constitutional issue out into the open.

The commission report revealed that the military headquarters had made crucial mistakes in preparing for the exercise. The question was, who was to take the blame. The parliamentary opposition and the president wanted the resignation of the minister, since he was supposed to have been in charge. The government parties wanted the chief of staff to go instead, since the military had de facto insulated itself from political 'interference' in its affairs and now therefore had to bear the full brunt of failure. The president refused to dismiss the general; the prime minister refused to sack the defence minister. Both stayed on, and the institutional ambiguity surrounding the governance of the military remained unresolved. The same constitutional stalemate applied to the power struggle between (offices of) the prime minister and the president. It is noteworthy that in this respect Estonia's young and delicately balanced semi-presidential regime resembles the Finnish polity. Until recently, the president of Finland possessed a special constitutional authority over the national defence forces and outweighed the defence minister in his own realm.

A similar case of crisis-induced political disagreements spilling over into constitutional tensions arose in Lithuania following the Russian economic collapse in 1998. The government was torn between economically soft yet politically palatable measures, and more effective yet deeply unpopular crisis remedies. During the early months of 1999, disagreements about the depth of the crisis and the options to be pursued created a policy stand-off and protracted non-decision-making in the face of growing fiscal problems. The issue aggravated ongoing struggles for power and authority between the parliament, the government and the president. Pervasive political uncertainty deepened the sense of crisis, and weakened the government's capacity to act. Eventually, Prime Minister Vagnorius felt forced to resign in March, when the president openly withdrew his confidence in the prime minister's ability to handle the crisis. A minority government led by Rolandas Paksas came to power and mended fences with the president, yet remained ineffectual in economic policy. Paksas in his turn resigned in October when he found himself outvoted by the cabinet on a decision to accept the controversial sale of a major oil refinery (producing 10 per cent of the nation's GDP) to an American company. Eventually, Paksas's successor, Andrius Kubilius, managed to stabilize the situation by getting a parliamentary majority to support the privatization deal as well as a dire austerity package that cut deeply into government

transfer payments. By that time, the constitutional struggle had also been resolved. The events had clearly demonstrated the president's ascendancy over the prime minister.

Transnational Influence. There are several reasons why transitional democracies are less than free agents in dealing with their crises.[30] First, the more eager, and the more likely, a transitional democracy is to become a member of key multilateral institutions, the greater is the potential influence of those institutions on its crisis response modes. It is well documented that organizations like the EU can exercise considerable influence at arm's length in applicant countries. In a study of several countries of Eastern Europe contemplating the attraction of the EU during the early 1990s, it was observed that these states adopted policies of 'anticipatory adaptation: a country's unilateral adoption of a set of norms associated with membership in an organization prior to its actually being accorded full status in that organization, or even receiving guarantees of entry'.[31]

In another comparative study of high-stakes policy-making in four policy domains, it was found that in post-Franco Spain the shadow of the future was clearly operative in the ways in which governments dealt with industrial decline and institutional reform issues. Because Spain was keen on EC membership, policy-makers had no choice but to pursue rather controversial modernization policies. In that sense, the push towards EC membership created crises at home. At the same time, however, Spanish policy-makers could use the need to adopt the *Acquis Communautaire* and the need to meet European expectations as a means to justify tough redistributive policies and externalize blame for the occurrence of crises that would have struck Spain sooner or later anyway.[32]

[30] Cf. J. Zielonka, 'Foreign Made Democracy', in J. Zielonka and A. Pravda (eds), *Democratic Consolidation in Eastern Europe*, pp. 511–32.

[31] S. Haggard, M. Levy, A. Moravcsik and K. Nicolaidis, 'Integrating the Two Halves of Europe: Theories of Interests, Bargaining and Institutions', in R. Keohane, J. Nye and S. Hoffmann (eds), *After the Cold War: International Institutions and State Strategies in Europe 1989–1991*, Cambridge, Mass., Harvard University Press, 1996, pp. 173–95.

[32] G. Saro and M. Navarro, 'Steel Restructuring in Spain, 1979–1995: The Attrition Game', in M. Bovens, P. 't Hart and B. G. Peters (eds), *Success and Failure in Public Governance*, Cheltenham, Edward Elgar, 2001, pp. 105–25; S. Pérez, 'The Liberalisation of Finance in Spain: From Interventionalism to the Market', in M. Bovens, P. 't Hart and B. G. Peters (eds), ibid., pp. 383–400.

Secondly, international institutions, such as the IMF, which control finances or, the OSCE and NATO, which offer the promise of security, that vulnerable democracies desperately need, can and do take a hands-on approach to their crisis management response styles by setting clear preconditions for their support.[33] Ongoing bilateral and multilateral contacts and programmes also provide new democracies with informal access to advice and role models regarding what is effective and appropriate democratic behaviour when dealing with disasters, disturbances and other delicate challenges.[34] 'Institutions, particularly those of the European Community, are therefore as much instruments of co-optation and socialization as they are tools of regulation.'[35]

There is much evidence of transnational influence in the Baltic states' crisis management behaviour. The world outside did not only generate crises for the Baltic governments; it also influenced how they handled them. At times, the international pressure to resolve a crisis in a particular way (or, perhaps even more poignant, *not* to resolve it in a particular way) was overwhelming. We have already discussed the role of the OSCE and the EU in the de-escalation of the citizenship conflicts in Estonia and Latvia. Likewise, in the Kurdish refugee case, the Estonian foreign ministry frantically sought to manage the image problem that the country would suffer in the West because of its hard-line treatment of the refugees. With a key EU council decision on the Estonian membership application due some months later, the stakes were high. Estonia — like Lithuania in a very similar refugee policy predicament — eventually softened its stance, upgraded its reception procedures and facilities, and sought regional cooperation to resolve the situation.

Similarly, the management of the various economic crises that the three countries experienced tended to proceed in line with World Bank, IMF or EU policy maxims for such contingencies. This occurred either because the government in question anticipated or even adopted their logic, or acted in response to explicit Western advice or public exhortations to comply. Albeit to a varying degree, when

[33] R. Keohane and H. Milner (eds), *Internationalization and Domestic Politics*, New York, Cambridge University Press, 1996; A. Pravda, 'Introduction', in J. Zielonka and A. Pravda (eds), *Democratic Consolidation in Eastern Europe*, Volume 2, pp. 1–28.

[34] J. Zielonka (ed.), *Democratic Consolidation in Eastern Europe*, Volume 1.

[35] S. Haggard, M. Levy, A. Moravcsik and K. Nicolaidis, 'Integrating the Two Halves of Europe', p. 182.

their stock markets were crashing or their public budgets shrinking, all three governments were prepared to cut domestically sensitive benefits, like pensions and social security payments. They considered this domestic hardship necessary to regain economic stability and international credibility. After some gruelling domestic controversy, the Lithuanian government even bowed to the EU demand to close the Ignalia power plant, despite its safety record and the highly uncertain energy future into which this commitment would propel the nation.[36]

The crisis coping strategies chosen by the small Baltic countries were in line with the observations made by two American scholars after a cross-national examination of the domestic political consequences of the pressures of internationalization.

The problem for states is that such a strategy (coordination with dominant others) requires credible commitments . . . Attaining such credibility often requires the redesign or creation of new political and economic institutions . . . This example suggests that domestic institutions may be strongly affected by the international pressures generated by internationalization.[37]

The Baltic nations were no exception to this wider pressure pattern during their first decade as democratic states in Europe.

BRINKMANSHIP IN CONSTRAINED TRANSITIONAL STATES

The experiences of the three Baltic republics illustrate the key challenge for transitional democracies when preparing for crises. How can a fragile regime with limited experience muster the competence, resources and public legitimacy necessary to perform a task that has been thoroughly discredited under the previous regime? When it comes to crisis decision-making, policy-makers in new democracies find themselves in an awkward position. They can no longer simply impose measures on society, but nor do they possess a reservoir of diffuse support that enables them to effectively defend the type of tragic choices that crisis managers have to face.[38] While

[36] As this article is being written, the issue is not definitely resolved. The government may still reverse its position and/or renege on its commitment, as it has done in the past.

[37] R. Keohane and H. Milner, *Internalionalization and Domestic Politics*, p. 258.

[38] D. Easton, *A Systems Analysis of Political Life*.

the democratic model of crisis management increasingly involves being a 'caring government',[39] policy-makers in vulnerable democracies can hardly ever draw upon the kind of resources that make it easy for a government to be warm and generous to its citizens in times of tragedy and widespread deprivation.

Resorting to populist crisis management techniques is a siren song for embattled policy-makers in transitional regimes. Countering acute threats by pretending they do not exist or by quick fixes and stop-gap measures can ease the social pain in the short run; it may help policy-makers to survive in office; yet because such measures fail to tackle the underlying problems, they tend to increase future economic, social and political hardship and instability. In the cases studied here, however, it was not the occasional populism but rather its conspicuous absence that is perhaps most remarkable. There was a shared willingness among most Baltic governments — or at least their dominant factions — to go to the brink. They risked their own, often extremely tenuous, domestic political support in order to pursue or comply with perceived 'Western' and 'democratic' imperatives. If nothing else, this shows how susceptible to transnational influences the governments of these resource-weak states are.

Estonia appears to have developed a moderately well functioning crisis management style, as compared to the other two governments, already during its first decade. Factors behind this relative performance record were the early foreign training and professionalization, and several major incidents with significant national and international security ramifications during the initial years. Strong calls for public accountability by an independent media were also part of the Estonian scene. These were inspired by the Finnish example, as broadcasts in Finnish, a language it could understand, had been accessible to the Estonian public for many years prior to independence. These experiences gave national crisis management issues prominence on the policy agenda. In the absence of bureaucratic stalemate or partisan paralysis, institutional reform was possible through the resolute work of several officials sensitive to the pressures from abroad.

In the last ten years, the Baltic countries have felt the strain of the cross pressures of international versus domestic platforms.

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[39] U. Rosenthal, P. 't Hart, M. Van Duin, M. Otten, M. B. R. Kroon and W. J. Overdijk, *Complexity in Urban Crisis Management*, London, James & James, 1994.

Sometimes, their elites and their institutions were at risk of being overwhelmed by such pressures. Some of the predicaments discussed here have made for episodes of acute uncertainty and deep public dismay, if not fears for the very survival of the new politico-economic regime. In the next decade, as democracy settles in more firmly and the basic legal structures to take root, the main challenge will be to ensure that the management systems put in place can actually work in practice. Among other concerns, these institutions must be able to meet the demands of the increasingly transnational and inter-dependent context of Europe. As pointed out in several of these Baltic case analyses, this new context includes significant portions of inter-nationalized media exposure, as well as NGO and IGO pressures that will clearly test the mettle and democratic maturity of crisis managers in post-transitional Lithuania, Latvia and Estonia.

APPENDIX: THE 21 CASE STUDIES

Estonian Cases

Indrek Elling, *Narva Referendum Crisis*, 1993: regional 'secessionist' referendum initiative by ethnic Russians in response to exclusionist government policies on citizenship in the new Estonian republic.

Jaan Tross, *Aeroflot TU 134-B Hijack*, 1994: hijack drama at Tallinn airport concluded by successful police operation, followed by political aftermath in which the Russian hijacker demanded political asylum, was about to be repatriated and committed suicide in prison.

Marten Kokk, *Refugee Crisis*, 1994–5: inflow of Kurdish refugees catches Estonia unprepared financially, legally, organizationally and diplomatically. Strong Western critique of Estonian hard-line policies and inadequate detention facilities.

Allan Sombri, *Oru Peat Factory Bankruptcy*, 1996–97: factory falling prey to economic restructuring and disaster in a single-industry community, causing major worker protests and controversy about unpaid salaries, bankruptcy procedures and harsh prospects for endemic unemployment and poverty in the community.

Piret Murk and Eleka Rugam-Rebane, *Estonian Peacekeepers' Accident*, 1997: accident during training exercise of Estonian soldiers destined for peace-keeping duties in the Kurkse strait, killing fourteen soldiers and triggering

a major public relations crisis and political accountability struggle in the face of mounting media and public criticism of Estonian defence policies in general and the causes and management of this incident in particular.

Daniel Vaarik, *Economic Overheating,* 1997: growing concern about the threat of a 'bubble economy' developing, with uncontrollable capital inflows, bad loans and poor risk management in the private sector, growing current account deficits in the public sector, and fears of stock exchange and currency declines. Government responds by cutbacks, gradual tightening of banking regulation and pension reform plan.

Indrek Treufeldt, *The Kostivere Arms Robbery,* 1997: The crisis began with a robbery of automatic rifles from an armoury belonging to the Estonian Defence League located in a small village. The case is particularly interesting with respect to the national response. Developments subsequent to the robbery were characterized by high levels of uncertainty and risk assessments concerning the underlying motives for the robbery.

Toomas Riim, *Russian Security Guarantees Offer*, 1997: Russian President, Yeltsin offers security guarantees and Baltic pact in an attempt to consolidate Russian strategic posture in the region and to forestall further westward security integration of Estonia and the other two Baltic states. Government rejects proposal and develops joint statement with Latvia and Lithuania. Russia backs down shortly thereafter.

Latvian Cases
Andris Runcis, *Citizenship Controversy*, 1991–98: creeping crisis concerning the treatment of the large minority of ethnic Russians in the citizenship laws of the new republic. Several points of peak social and political tension triggered by controversial proposals for new legislation.

Andris Maurans and Agrita Veide, *Infectious Diseases*, 1990–2000: creeping crisis in the public health domain, where potential epidemics in tuberculosis and tick-borne encephalitis exposed endemic vulnerabilities in Latvian society and its healthcare system. Description of attempts to manage the threat, facilitated by international support.

Inta Lase, *Banka Baltija Bankruptcy*, 1995: sudden collapse of what had been widely seen as a successful and reliable new enterprise of major strategic financial importance. The bankruptcy called for government efforts to manage the economic fallout. Subsequent investigations revealed the criminal background of and possible fraud by the bank's leading figure and a troublesome degree of regulatory negligence and over-optimism within the government.

Lindy Newlove, Peter Drukis and Guntis Tribis, *Talsi Platform Disaster*, 1997: Collapse of a tractor carrying spectators at the national Latvian fire-fighters and police festival, killing nine and wounding 21, followed by a conflict-ridden emergency response operation and a political damage control operation.

Zaneta Ozolina, *Russian Security Guarantees*, 1997: Russian President, Yeltsin offers security guarantees and Baltic pact in an attempt to consolidate the Russian strategic position in the region and to forestall further westward security integration of Latvia and other Baltic countries. Government rejects proposal and develops joint statement with the other two nations. Russia backs down shortly thereafter.

Ramona Lamberte, *Spring Floods*, 1998: Daugava river overflows, causing damage and prompting evacuations. Floating ice threatens dam and triggers decision to blast a dam to prevent greater damage elsewhere.

Daina Bleiere and Aivars Stranga, *Latvian–Russian Crisis*, 1998: peak bilateral tensions resulting from Russian indignation at treatment of Russian minorities in Latvia as symbolized by police actions against demonstrating ethnic Russian pensioners in Riga, reinforced by subsequent symbolic incidents involving a march of pro-Nazi Second World War veterans seemingly condoned by Latvian authorities, as well as anti-Russian bombing attacks.

Lithuanian Cases
Miroslavas Maconka, *Spring Floods*, 1994: combination of weather conditions, ice blockage and ill-maintained water management systems creates high water levels in the river Nemunas delta, producing the worst flood in the country's twentieth-century history.

Gitana Gumauskaite, *Illegal Migration Flows*, 1996–7: rise in transit traffic of illegal migrants and asylum seekers exposes defective Lithuanian border control, refugee policies and reception facilities. Strong international pressure to 'fix' the situation versus diplomatic problems with Belarus, the neighbouring country from which most refugees reach Lithuania.

Edita Dranseikaité, *Ignalina Nuclear Power Plant Controversy*, 1998–99, EU pressure and decommissioning a Soviet, 'Chernobyl-type' nuclear power plant which provides more than 80 per cent of the country's electricity needs, generated major political conflict and various policy reversals before, in October 1999, the government adopts a new national energy strategy that includes eventual closure of the facility.

Ruta Zvinklyte, *Economic Crisis Management I*, 1998–99: increasing weakness and eventual collapse of the Russian economy poses major threat to the Lithuanian economy, which is still strongly linked to the Russian. Persistent denial of Lithuania's vulnerability is followed by frantic search for solutions. In Spring 1999, disagreement about the appropriate policies to be pursued triggers open conflict between the prime minister and the president, resulting in the resignation of Prime Minister Vagnorius.

Haroldas Brozaitis, *Economic Crisis Management II*, 1999: ongoing economic downturn in Lithuania spills over into major government budget crisis. The political management of the crisis is compounded by a simultaneous political-economic controversy over the proposed privatization of the country's sole oil refinery accounting for 10 per cent of GDP. Key crisis management proposal to suspend the government's deposit compensation programme (which provided benefits to the depositors who lost their savings during the independence struggle) further aggravates tensions. Prime Minister Paksas resigns over privatization controversy after only six months in office. New prime minister, Kubelius, pushes through severe cutbacks and follows IMF suggestions.

Edita Miciukeviciute, *Farmer Protests and Road Block*, 2000: subsidy-cutting measures as part of an effort to restructure the agriculture sector that are required for EU-accession trigger farmer protests and force the issue to the top of the political agenda, generating a ministerial crisis in agriculture and political conflict within the government. March 2000 highway blockade is eventually terminated by police force.