

**Latvia**  
**Human Development Report 2000/2001**

THE PUBLIC POLICY PROCESS IN LATVIA



Riga

2001

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## Forewords

Politics is the sphere in which adopted decisions affect human development in the most direct manner. For example, Latvia's goal of acceding to the European Union and the NATO Alliance is not an end in itself, but rather a means for guaranteeing the security of the country and for promoting its rapid and sustainable development. Similarly, it is possible through politics to increase the level of prosperity and welfare of the people with the aid of qualitative pension, health care and rural development policies.

While the adoption of political decisions and the capacity of State institutions to implement them has improved greatly since Latvia regained its independence, I fully realize that the expectations and demands of our citizens have grown just as quickly. People have grown more critical. They wish to see policy-making conducted in a professional manner, and they want reasoned decisions to be taken with predictable outcomes.

Decision-making should not be restricted to the competence of professional politicians. Politicians must listen to the voice of public opinion and must be interested in seeing increased citizen participation in policy processes, as well as responsibility for one's actions. It is a positive sign that Latvia's six-thousandth non-governmental organization was registered this May, and that the participation of NGOs is increasing in the preparation of draft regulatory documents. The National Trilateral Co-operation Council is successfully serving its role as a forum for the harmonisation of opinions with the Latvian Employers' Confederation and the Latvian Association of Free Trade Unions. Any inhabitant of the country can now receive information on documents that have been submitted or approved by the Cabinet, by accessing them directly on the government's home page on the Internet.

The above reflects my subjective opinions as a politician. In order to obtain a full and objective overview of the total picture, the analyses of independent experts are vitally necessary in evaluating the notions and conceptions of politicians, civil servants, entrepreneurs, NGOs, the mass media and other groupings. As the British author and theologian G. Chesterton once wrote, practically everyone wishes to receive honest, impassionate and truthful information that conforms to their opinions. But sometimes in order to obtain an accurate picture one must be prepared to receive honest, impassionate and truthful information that does not conform to one's opinions and even refutes them.

For several years, the UNDP-supported **Latvia Human Development Report** has been the best example of such research available in Latvia. I can attest to this because I have personally participated in the formulation of past issues as an employee of the Latvian Ministry of Welfare. While the 2000/2001 **Report** does contain some disputable contentions and conclusions, its overall level of research, as always, is very high. I would like to stress that the authors of this **Report** have taken pains not only to criticize, but also to highlight the positive trends and to provide recommendations for improving policy-making in Latvia. I hope that their efforts will be appreciated and that this **Report** will be widely used as a tool for both policy analysis and the resolution of practical issues.



ANDRIS BĒRZIŅŠ  
Prime Minister of Latvia

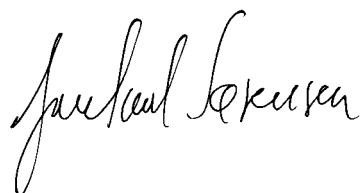
The purpose of the **Human Development Reports** (HDRs), which the UNDP has published since 1989, first with Global Human Development Reports, and subsequently with National HDRs, has been to stimulate public debate about important factors influencing the development process. The authors of these **Reports** thereby seek to influence policy – both at the global and national levels. The **Reports** have done so with a concept of development that goes beyond a simple economic perspective. This concept sets human development – defined as the enlargement of choices available to people – as the ultimate goal, and as the only true yardstick of development. The Human Development Index (HDI) that underpins this concept incorporates indices of economic achievement with indices measuring health and education. This Index has become a powerful tool – albeit imperfect and often controversial – for measuring the performance of individual countries over time, and for comparing the performance of individual countries in terms of the degree of attention that human development is being given in policy-making.

Thus, the five previous **Latvia Human Development Reports** have analysed the social costs and human dimension of Latvia's transition to a market economy. They have focussed on such issues as social protection, health, education and growing regional, ethnic and income disparities. While it may be difficult to prove a direct causal relationship, important legislative reforms and national programmes in Latvia can arguably be traced to the analysis of structural problems in Latvian society that was first brought out in these **Reports**, and to the subsequent public debate and awareness that the **Reports** helped to stimulate. The present, sixth, **Latvia Human Development Report** takes this analysis one step further by focussing on the public policy process in Latvia itself. In so doing, this **Report** focuses not just on whether the socio-economic conditions of Latvia today – and administrative policies at the State and local levels – are responsive to the needs and aspirations of the population, but also on the extent to which individuals and social groupings have opportunities to influence policies that effect them, and on whether they are being heard.

As a **Human Development Report** this is a ground-breaking publication, not just in Latvia, but in the World, because few are the countries in the

World today in which it would be possible – in a report by a United Nations agency – to gauge whether true and effective democracy has taken root and permeated the institutions, processes and practices of policy-making. Indeed, a report that asked similar questions could well be controversial even in countries with well-established democracies. The openness with which large numbers of decision-makers, *Saeima* deputies, senior government officials, representatives of the media, academia and NGOs have contributed to the analysis and recommendations of this **Report** is a sign of how far Latvia has come since regaining its independence, and augurs well for its desire to become an open, participatory democratic society.

*Public policy process* is a term that only makes sense in the context of a democratic society. As this **Report** shows, this process is in Latvia still conditioned by the effects of more than fifty years of totalitarian regimes that weakened civil society and created a gulf of distrust between the State and individuals, a gulf that the new democratic institutions are still trying to overcome. At the same time, the concentration of economic power and mass media and IT-technology in the new, market-based economy creates new conditions for influence and control over people's behaviour. This **Report** attempts to draw a balanced picture of the development of public policy making in independent Latvia by focussing sharply on areas that remain characterised by a lack of transparency and openness, and by undue concentration and influencing of policy-making processes. The **Report** also focuses on positive achievements and new opportunities that have enlarged the opportunities for dialogue and consultation between the State and civil society. I hope that the analyses and recommendations in this **Report** will contribute to further strengthening the public policy process as a dynamic that itself contributes to a more open and more people-centred society.



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