

**Working paper**

**PUBLIC ACCOUNTABILITY IN PASSENGER  
TRANSPORTATION IN LATVIA**  
(Restructuring of regional passenger transport system in Liepaja district)

**Tālis Tisenkopfs, Valts Kalniņš**

**Rīga  
Baltic Studies Centre  
June 2003**

## EXECUTIVE SUMMARY

This case study deals with the restructuring of regional passenger transport system in Liepaja district. The 1990's saw a large scale restructuring of the transport system whereby old and uneconomical means of transport (mostly trains) were replaced by new, more flexible and economically viable types of transport (buses, mini buses and private cars).

The closure of some railway services provoked active protests from the population. While the current transport system by and large satisfies the economic and social needs of the population and entrepreneurs, one can still observe a certain deal of nostalgia about the old train services.

Passenger transportation policy is bound by a number of public accountability procedures and mechanisms. These include but are not limited to (i) the right of individuals and groups to submit requests to local authorities with regard to particular transport solutions; (ii) the right of individuals to set up protest actions such as pickets or manifestations; (iii) public consultations that local governments must hold during planning of transport policies; (iv) the public transport committee of the district council where all parishes and towns have their representatives; (v) a subsidy mechanism whereby the state and local governments may support certain commercially non-profitable but socially necessary routes.

In the given case, these public accountability mechanisms allowed public institutions to learn the opinion and needs of population in various settlements. Moreover such communication made it easier for public institution to be responsive to popular needs and adjust – in this case – passenger transport solutions as the clients need.

However, we observed that public accountability mechanisms normally do not influence the principal outcomes of policy. If a rail service is planned for closure or if there is a plan to restructure the mechanisms for financing of passenger transportation, these moves are likely to be implemented no matter what protests occur. In spite of apparent positive achievements, the legitimacy of the passenger transportation policy appears to be weak in the eyes of significant population groups.

This may be explained by a number of factors. The lack of perceived legitimacy that is characteristic of political processes in Latvia at large transforms also into particular policies even if the substance of these policies is sound. Moreover large groups of population have very limited experience of democratic participation. Many people simply do not know how public accountability mechanisms could be used for the improvement of policy making to further their interests. The limited public accountability is aggravated by the fact that it is mainly the people with least resources that are dependent on public transportation. Hence their weak bargaining power in the policymaking.

Also the fact that the restructuring of passenger transportation in one district is largely the function of a national and – in some aspects – even European policy makes the understanding and effective use of public accountability mechanisms rather difficult if seen from the local level.

# **TABLE OF CONTENTS**

## **INTRODUCTION AND METHODOLOGY**

## **RESULTS**

### **I. MAPPING OF POLICY FIELD**

- 1. Policy history and current state**
- 2. Main Problem Dimensions**
- 3. Main agents and their characterization**

### **II. ANALYSIS OF THE CASE**

- 1. The history and evolution of the case**
- 2. Some policy process characteristics**
- 3. Actor involvement and strategies**
- 4. Public accountability mechanisms and procedures**
- 5. Outcomes**

### **III. DISCUSSION**

### **IV. PRELIMINARY DISCUSSION OF COMPARATIVE ISSUES**

## **CONCLUSIONS**

## **REFERENCES**

## INTRODUCTION AND METHODOLOGY

This case study explores public accountability procedures in the case of passenger transport policy in Liepaja district in Latvia. The purpose of this study is to gain a detailed insight in to public accountability – its mechanisms and actual functioning – as it is found in the given case.

Passenger transport policy was chosen because of two reasons. First, this is a policy field that has seen radical changes during the last decade or so. Second, passenger transport policy touches upon vital interests of large social groups and at times its implementation has caused spontaneous and intense instances of civic participation. Liepaja district and, particularly, a few smaller towns have been severely affected by dramatic changes in passenger transport patterns. These changes have brought about both drastic improvements in passenger transportation as well as a great disappointment by some people who find themselves in most socially vulnerable positions.

This case study analyses what public accountability procedures have been and are in place where the passenger transport policy is planned, articulated, adopted and implemented. Moreover we look into the effect of public accountability, i.e. whether public accountability mechanisms have affected policy outcomes and whether they have made these outcomes more acceptable to actors involved. The study also focuses on what are the factors that either hamper the full-fledged realization of public accountability or dwarf the theoretically possible positive effects of public accountability. Finally we discuss whether public accountability mechanisms have the potential of empowering socially disadvantaged groups, which may suffer from distress and negative effects even if respective policies, which cause these effects, are sound and socially favorable on the national or a district scale.

The work on this case study proceeded in two stages. During the first stage, we explored the national passenger transport policy with its origins, gradual development, prospects and public accountability mechanisms. Two principal methods for this part of the study were the analysis of policy documents and normative acts and interviews with relevant public officials and representatives of transport operators. Moreover a number of relevant questions were included in a nation-wide survey, which was carried out in October 2002. The data from this survey is still to be incorporated into this case study report.

During the second stage, we explored the implementation of the transport policy in Liepaja district with a special emphasis on the closure of two rail services and consequences thereof. The principal method of research at this stage was interviews with local government officials and representatives of transport operators as well as a group discussion with several people who used to be activists for the keeping of a railway service. During a research trip to Vainode, Priekule and Liepaja, we also carried out participant observations of how the local transport functions. For both parts of the study we did a qualitative media analysis that reflected some of the most visible crises in the course of the changing transport policy.

# RESULTS

## I. MAPPING OF POLICY FIELD

### 1. Policy history and current state

The break-up of the Soviet Union brought about a deep economic crisis that severely affected also Latvia. Rapid change in population mobility patterns and drop in purchasing power lead to a large number of public transportation services becoming uneconomical. During the 1990's Latvia went through a search for the optimal model of passenger transportation. While on the level of political documents there is now a clear decision to set up a centralized and unified network of passenger transportation and a system of state orders for passenger services, the implementation of the necessary reforms are still to be carried out.

For regional and inter-city passenger transportation Latvia employs two principal modes of transport, namely, trains and buses. Virtually the only railway operator is the state-owned joint-stock company "The Latvian Railway" (*Latvijas Dzelzceļš*). After „The Latvian Railway” separated from the Baltic branch of the Soviet Union railway, it had to operate with nearly no state support. Given that all passenger transportation was loss-making, the railway used cross-subsidies whereby revenue from cargo transportation was used to finance passenger services. Bus services were taken over by numerous operators. With regard to buses, also the state undertook certain responsibility for passenger services. The state funding was used for subsidizing bus services.

Gradually the state began to support the railway, too. However, „The Latvian Railway” did not deem this support sufficient for as long as passenger services made losses and were not fully subsidized (in fact all passenger routes are loss-making due to the low cost of tickets or in some instances also the small number of passengers). „The Latvian Railway” pursued two strategies to tackle this problem. First, it closed the least rentable and relatively less significant passenger services. Second, the railway is actively lobbying for state subsidies.

In institutional terms, the organizational responsibility for passenger services is divided among various levels of the government. The Ministry of Transport is in charge of long-distance and international bus services and *de facto* all rail services. Public transportation in larger or the so-called republican cities is fully organized by respective city councils. In other cities and parishes, it is the district councils that are responsible for organizing public transportation.

Until 1998 virtually no normative base existed for passenger transportation by rail. In 1998 the government approved a framework document on passenger transportation (updated in 1999).<sup>1</sup> The framework document set that the Ministry of Transport should no longer regulate the transportation market. It foresaw a unified passenger

---

<sup>1</sup> The Ministry of Transport. Passenger Transportation Framework Document (Pasažieru parvadajumu koncepcija). 1999. // Transcript from the minutes of the Cabinet of Ministers meeting. 16.11.1999. 17. § On the restructurization process of the state-owned joint-stock company „The Latvian Railway” and the Passenger Transportation Framework Document, 3900-k, 4398-k

route network and ticketing system that would include both rail and road transportation. On April 1, 1998 the Saeima adopted the Railway Law<sup>2</sup> and on December 21, 2000 – the Railway Transportation Law.<sup>3</sup> On November 6, 2001 the Cabinet approved the framework document on the establishment of agency for a unified route network.<sup>4</sup>

The Railway Law set basic principles for the organization and operation of railway in Latvia. In principle, it is the public railway infrastructure that is administered by a state-established joint-stock company (what is currently “The Latvian Railway”) (Section 6). Railway operators may be both public and private and they are economically and administratively independent. The operators set tariffs for passenger services according to methodology developed by the Regulatory Committee for Public Services.

The state and local governments may conclude contracts with operators to order certain railway transportation services. The idea is that no operator should be obliged to operate passenger services that lead to financial loss. Instead the state and local government would conclude contracts with railway operators if certain passenger services are deemed necessary (on so-called basic routes). The state or local governments would then subsidize the service so that the operator does not experience loss. However, the state budget of 2002 foresaw only LVL 300 000 for contracting railway passenger services.<sup>5</sup>

During the 1990's „The Latvian Railway” closed passenger services on a number of routes: Liepaja - Alsunga – Ventspils (1996), Aloja - Rūjiena – Ipiķi (1996), Limbaži – Aloja (1997), Liepaja – Vaiņode (1997-1998), Gulbene-Vecumi (2001), Liepaja – Rīga (2001), Ventspils – Rīga (2001). However, despite these closures the number of rail passengers has seen a steady increase since 2000. Thus in December 2000, “The Latvian Railway” carried 1.335 million passengers, in December 2001 – 1.409 million, and in December 2002 – 1.547 million.<sup>6</sup>

## 2. Main Problem Dimensions

Some of the broader political questions in passenger transportation policy are – To what extent should public and private institutions take responsibility for social services that cannot be effectively delivered by market mechanisms? How to balance the needs of population in central urban areas with those in scattered rural regions? How to balance the market oriented interests of companies with the general need to

---

<sup>2</sup> Railway Law (Dzelzceļa likums). Adopted on 01.04.1998. „Latvijas Vēstnesis”, 17.04.1998, 11.02.1999, 23.11.1999, 12.12.2000.

<sup>3</sup> Railway Transportation Law (Dzelzceļa parvadājumu likums). Adopted on 21.12.2000. „Latvijas Vēstnesis”, 05.01.2001, 09.04.2002.

<sup>4</sup> The Ministry of Transport. Framework Document on the Establishment of Agency for a Unified Route Network (Konceptija “Par vienota maršrutu tīkla aģentūras izveidi”). 2001. // Transcript from the minutes of the Cabinet of Ministers meeting. 06.11.2001. 28. § Framework Document on the Establishment of Agency for a Unified Route Network 3690-k

<sup>5</sup> Law on the State Budget for 2002 (Likums „Par valsts budžetu 2002. gadam”). Adopted on 29.11.2001. „Latvijas Vēstnesis”, 19.12.2001.

<sup>6</sup> Data on passenger transportation by “The Latvian Railway” in December 2002 in the territory of Latvia (Ziņas par LDz pasažieru pārvadājumiem LR teritorijā 2002.gada decembrī). <http://www.ldz.lv/statistika/decembris.htm> Last accessed on 20.02.2003.

undertake social responsibility? How to explain sometimes unpopular but necessary decisions to stakeholders and the population at large? How to balance the need to reasonably limit state expenditure with the population's needs for convenient and inexpensive transportation? More questions of this kind could be listed.

The main dimensions of the passenger transportation policy are: local interests versus central interests, urban interests versus rural interests, social responsibility of companies versus social responsibility of governments, interests of the poor (who use public transportation) versus interests of the rich (who – at least in Latvia – tend to use only private transport), etc. Last but not least the issue of passenger services has touched upon trust between the population and state institutions.

### **3. Main agents and their characterization**

The policy of passenger transportation is remarkable in the sense that it touches upon the interests of a wide variety of agents. State institutions, local governments, businesses and the population are all engaged in some aspects of this policy.

- „The Latvian Railway” (state owned joint-stock company) is currently playing a dual role. On the one hand, „The Latvian Railway” is operating in a business manner. On the other hand, the railway undertakes a certain social responsibility role by providing relatively inexpensive passenger services. „The Latvian Railway” tends to demonstrate that it is only interested in playing the business role while the social function should be entirely financed by the state or passengers themselves. The railway's self-perception is that of a solely business entity rather than a socially responsible institution, which works for the public good.
- Bus operators in most cases act as substitutes for closed railway services. Bus operators possibly find themselves in an economically more convenient situation because they have received considerably larger state subsidies than the railway.
- Local governments are basically interested in providing their populations with adequate transportation. However, the strategies of various local governments vary. Local governments tended to oppose that a centralized state agency should plan and subsidize both rail and road passenger services because then they would lose the ability to independently distribute financial support to local bus operators. More on the role of local governments see the analysis of Liepaja district case (Section II).
- The Ministry of Transport implements the state policy in the rail transportation sector.<sup>7</sup> Traditionally it has supported the stance of “The Latvian Railway” and requested state subsidies and orders for passenger services. The statement – “the state must pay if it demands passenger services to be operated” – summarizes the position of this ministry.

---

<sup>7</sup> Railway Law (Dzelzceļa likums), Section 29. Adopted on 01.04.1998. „Latvijas Vēstnesis”, 17.04.1998, 11.02.1999, 23.11.1999, 12.12.2000.

- The media mainly reflects events and debates on passenger transportation. They have a tendency to express solidarity with the population that needs passenger transportation. However, the media usually does not call for any particular long-term solutions.
- While it is difficult to speak of the population as a single agent, one can identify common interests among those who indeed use public transportation. The general interest of the users of public transportation is the ability to move from one point to another reasonably quickly and at an affordable price. In most cases, the users of the public transportation tend to oppose closing of railway lines or reducing of the number of departures. Their activities have not had much direct impact. Usually what service is intended to be closed eventually gets closed. However, it is more likely that popular activity forces, for example, local governments to provide adequate alternative transportation. Also popular activities have forced to make the manner of decision making much more open and inclusive.

## II. ANALYSIS OF THE CASE

### 1. The history and evolution of the case

The case story is about the restructuring of regional passenger transport system in Liepaja district of Latvia. The case history started in 1997 with the closing down of a regional railway line, which connected the city of Liepaja in the Western part of Latvia with the towns of Priekule and Vainode in Liepaja district. Later also the passenger service between Liepaja and the capital city Riga was closed (see Box 1).

#### **Box 1. Closure of Liepaja – Priekule – Vainode and Liepaja-Riga rail passenger services: event summary**

**Liepaja – Priekule – Vainode:** The closure of this 58 kilometers long service in Western Latvia provoked the most active local protests and intense debates in the whole society. “The Latvian Railway” decided to close this passenger route on August 19, 1997. On August 17 and 18 about 100 people blocked the railway tracks to prevent the last passenger train from leaving Vainode station. To tackle the situation, the Liepaja bus company simultaneously increased the number of bus departures to Vainode. This, however, did not ease the protests.<sup>8</sup>

On September 15, the minister of transport Vilis Kristopans offered a compromise. He suggested the local governments and the Cabinet of Ministers to establish a new state-owned joint-stock company that would operate the passenger rail service.<sup>9</sup> Only as late as on October 8, the protesters freed the railway tracks.

On November 1, the passenger train resumed the service. However, it was not clear whether the overall transportation improved for the local population. The number of bus services was again cut down to previous levels but the number of train departures was smaller than before. According to an official of the Ministry of Transport the

<sup>8</sup> Štals, Aigars. „Vainodes iedzīvotāji bloķē sliežu ceļus”. „Diena”, 19.08.2002.

<sup>9</sup> Štals, Aigars. Rulle, Baiba. “Vainodnieku nepiekapība maina ministra attieksmi”. “Diena”, 16.09.2002.



operation was, however, highly uneconomical. During the first 5 days of resumed operation, only 313 passengers used the train. While the transportation of one passenger cost the railway LVL 9.97, the average ticket cost only LVL 0.72.<sup>10</sup> On February 24, 1998, new protests in the form of a picket took place. People protested against the way the railway operation was set up – the train was allegedly extremely slow, it used a big and uneconomical engine and the price of tickets was rising. The protesters attempted to stop the massive engine that allegedly “burned money” and was dispatched only to prove that operation caused large loss. The train operation was immediately stopped and never resumed again.<sup>11</sup>

**Liepaja – Riga:** The operation was closed in the summer of 2001. In this case “The Latvian Railway” and the Ministry of Transport employed a strategy that differed from the Vainode case. Main arguments for the closure of the service were again the big financial losses but also the poor shape of the trains and tracks, the lack of funds for their renovation and the already existing and economically much sounder bus traffic that extensively served the same destinations.

In good time before any decisions, both the Ministry of Transport and “The Latvian Railway” began consultations with local governments that might be interested in these rail services. Liepaja city council did not seriously object to the closure of the train service.<sup>12</sup> The Ministry of Transport together with local governments developed solutions that provided passenger transportation with new bus routes and additional departures along the whole railway route.<sup>13</sup> Even though in some places local populations still claimed that bus services would not be as convenient as the train, the train service on this route was closed on August 15. According to some opinion, the bus services fully compensated the transportation needs of the larger cities’ population. The main losers were the rural inhabitants who lived along the railway line where no adequate bus network was made available.

When the railway service was first closed in Vainode, a spontaneous initiative group formed which inspired and lead a 51 days long picket. The number of participants reached several hundreds and they included representatives of various groups of population – pensioners, teachers, farmers, youth and other. The informal leaders were a community worker, an employee of the local cultural house, a teacher and several active pensioners. The local administration and entrepreneurs also supported the picket, although their attitudes changed during the protest action and in the end they rather sided with the position of the Ministry of Transport and “The Latvian Railway”. During the fieldwork, we met the initiative group for a discussion and participants shared with us their memories and reflections.

The popular activities during the picket included the day and night presence of participants on the site along the track, burning fires, singing songs, replacing each other so that the place was always crowded. The villagers brought for participants food, blankets and supported them otherwise. People signed petitions to “The Latvian

---

<sup>10</sup> Štals, Aigars. A/s Vainodes dzelzceļš pagaidam vēl nav reģistrēta. „Diena”, 08.11.1997.

<sup>11</sup> Štals, Aigars. “Partrauc kursēt vilciens Vainode—Liepaja”. „Diena”, 25.02.1998.

<sup>12</sup> Cauce, Dace. „Naudas trūkums var likvidēt vilcienu”. „Diena”, 21.04.2001.

„LDz aģitē par autobusu satiksmi”. „Diena”, 16.07.2001.

<sup>13</sup> Cauce, Dace. „Ar autobusiem vilcienu vieta būs jabrauc vēl citiem pasažieriem”. „Diena”, 18.07.2001.

Railway” and to the government; the initiative group wrote a letter to the president of Latvia, sent and received faxes to and from the institutions in Riga. The minister of transport and the director of “The Latvian Railway”, who came to explain the economic arguments for closedown, attended the picket. However the people distrusted officials and continued to “*protect our railway*”. (Quote from discussion with picket initiative group).

Historically railway has been important for the economic and social life of two communities (Priekule and Vainode). Both Priekule and Vainode are located in the border area with Lithuania in the South-west part of Latvia and they stand away from the main road, which connects the cities of Liepaja and Riga. Before the changes in 1990s, the railway was the main means of passenger transportation to Liepaja and Riga. It also contributed to the operations of several cargo enterprises and provided a number of jobs in Priekule and Vainode. In the beginning of 1990s, several crucial industries in Priekule and Vainode were liquidated or went bankrupt. In Vainode the local economy was badly affected also by the withdrawal of Russian troops, which formerly contributed to local services as customers.

In the situation of economic decline people perceived the closure of railway as a last strike to the local economy and a threat to their livelihood. The closure was unexpected for the population because the decision was made behind closed doors and there was a lack of information. Only after the protests begun, “The Latvia Railway” managers and the ministry’s officials made contacts with the population and explained the reasons. However, their economic arguments did not make much impact on the popular attitudes. People thought there were some hidden interests behind: *“We felt that the railway is being artificially liquidated, that the functioning international transit route is being destroyed. That should have been in the interests of bus companies – they got more passengers. Mr. Lembergs [mayor of another port city on the West coast] also wanted to impede the Liepaja port. First they said that the railroad is in such a bad condition that it was dangerous to run trains. Then they decreased speed. It took almost two hours to get to Liepaja instead of one hour before. People ceased to use trains and then Latvijas Dzelzceļš [“The Latvian Railway”] claimed that the route was making losses.”* (Quote from the discussion with picket initiative group).

Since the closure of the railway service, the regional passenger transportation system has seen complete reorganisation and structural change. New ways and means of passenger transportation have developed such as privately operated bus and minibus services, municipality bus lines and personal transport. The number of private cars has increased considerably in the last years. Currently there is one large carrier “Liepaja Bus Company” and approximately 10 smaller minibus companies, which operate in Liepaja city and district. “Liepaja Bus Company” runs both long distance and intra-regional coaches whereas minibus companies serve only local routes.

Currently Vainode – Priekule – Liepaja destination is served by “Liepaja Bus Company”, which also provides daily coaches to Riga, and by four minibus companies, which run on routes between Vainode, Priekule and other nearby settlements. The number of routes has tripled and there are 28 daily bus services from Priekule to eight different destinations in Liepaja district and elsewhere in Latvia compared with a few train services before. In addition, Vainode municipality has

obtained its own minibus and opened a route to least populated remote territories to provide bus service for school children.

Private companies have entered the market and by and large satisfied the demand in passenger transportation. The new regional transport system is more diversified than it was before. Buses go regularly and there are few passenger complaints, except a demand for more convenient departure times and end stops in Liepaja city. The district council has established a controlling body, which inspects the regularity of minibus services and observance of licensed routes.

From the economic point of view, the closure of railway has not caused negative consequences. New companies, which met the demand in passenger transportation filled the market niche and invigorated restructuring of the whole system of regional transport. It became more complex, increased the population's mobility opportunities and changed mobility patterns. People reoriented from train to buses and other means of transport. In Priekule, where registered unemployment is 20% and in Vainode where it is 10 %, bus services are used to commute to nearby cities of Liepaja and Grobina where jobs can be found in processing and service industries. According to the estimate of Vainode mayor some 5% of Vainode's labour force commute to work in Liepaja. Students and shoppers are the other largest groups of commuters. As Liepaja city council member commented it: *"Countryside becomes a sleeping area."* (Int. No. 7). As Vainode municipality mayor admitted: *"In the end, the [railway] problem has been solved and people nowadays get where they want. Everybody has become used and satisfied [with the new transport system]."* (Int. No. 4).

Despite the above, there are resilient symbolic consequences of the railway closure. The tale of "nice old days when train came to our town" is live. The railway is an ingredient of local history and a legend of collective memory. Not only representatives of older generation and people who were active protesters against its closedown but also other residents reiterate the railway saga.

There are still much talks and beliefs both among ordinary residents and municipal leaders that reopening of railway connections would bring back economic prosperity to their communities. One pensioner expressed it: *"Bus communications are good enough. There are many buses, which go back and forth to Liepaja and other places. But the train was better. You could go to Riga to theatre and come back late in night. Now I understand that operations were not profitable but I miss the train very much. Train is train – you feel comfortably in it."* The other pensioner added *"The seats are too narrow in minibuses. If I bought a piano in Liepaja I could not transport it to Vainode. But on the train there was a special cargo carriage."* (Quotes from the discussion with the picket initiative group).

The most active group of former picket participants maintains the legend about the railway despite economic arguments and regardless of the fact that a new and even more efficient system of public transport has come to existence. Incapability to transform the protest action in mechanisms of regular participation in local policies has led to the glorification of protest action in the past.

## 2. Some policy process characteristics

**Multi-level policy:** It is important to note that the passenger transportation policy in Liepaja district is essentially not a policy of its own but rather one example where the national transportation policy has been implemented. This is not to say that local agents such as local governments or transport operators do not have a say in shaping the actual transport policy in Liepaja region or, for that matter, in other regions. Indeed the passenger transportation policy has important characteristics of multi-level governance with certain responsibilities shared among the Ministry of Transport, city councils of the so-called republican cities, district councils, and finally parish and town councils.

Such a multi-level model has a number of implications. In principle, such a system provides good possibilities to seek balance between the centralized distribution of funds and co-ordination of transport routes on the one hand and the consideration of local needs on the other hand. However, the multi-level approach also creates some confusion and resentment particularly because the overall institutional framework for the planning of the passenger route network in Latvia is not established, yet. For the time being, some local agents complain that the central authorities (particularly the Ministry of Transport) are not responsive to the needs of population in scarcely populated areas. Moreover there appears to be a significant confusion in local populations about what institutions are responsible for what aspects of passenger transportation.

**Inequality and dependence:** The policy process is characterized by major inequalities among involved agents. Large segments of the clients of public transportation possess very limited resources largely because they live in economically depressive areas (*"I don't know what can be developed in Priekule. We don't even see any levers to influence something"* (Int. No. 8)). This has several implications. First, the population has limited possibilities to contribute to the economic viability of transport services. In other words, they cannot afford to travel as much as desirable (*"The cost of transportation prevents people from going to work in Liepaja."* (Int. No. 8)). Moreover fares cannot be raised due to the generally low purchasing power: *"If we increase fares, revenue does not increase. People then ride less."* (Int. No. 7) This places increased demands on public budgets. Second, agents that are economically and socially weak tend to lack necessary skills and commitment to actively and consistently place their demands vis-à-vis authorities. People who find themselves in socially vulnerable positions are in a number of ways dependent on local authorities. Therefore they may even be afraid of complaining about flawed transportation or other issues. Thus the policy process does not rest sufficiently upon communication and interaction between authorities and transport operators on the one hand and clients on the other hand.

**European dimension:** The policy does not have a direct European dimension even though certain aspects of transportation are indeed governed by EU directives. On the regional level, some agents draw upon their personal experience in some other European countries. These agents (for example, the head of a large transport company and member of Liepaja city council) consider issues that regarded as important in countries such as Sweden or Germany but are either viewed as of secondary importance or for the time being economically not feasible in Latvia. These are, for

example, safety features of modern buses and flexible and convenient transportation for handicapped people.

**Connection with other policies:** Accountability deficit in one policy-area can pose problems in another. Both the director of a bus company and a leader of a municipality claimed that a delay of the administrative and territorial reform hampered also the development of an efficient transport system. With the prospective change of territorial and administrative borders and centres, the transport schemes will change, as well. Current transport routes lead to district centres but, when new administrative centres emerge, the demand for new routes is likely to appear.

### 3. Actor involvement and strategies

**Population:** Although in several interviews it was mentioned that “*rural residents are economically quite equal*” and there were not “*many rich people in our district*”, the tendency is that the economically better off groups of population use more private cars whereas the poorer segments of rural residents rely more on public transport.

Both fieldwork interviews and the population survey suggest that medium and low-income groups are the main users of public transport. These groups are more dependent on passenger service arrangements and vulnerable to inappropriate transport policies. With regard to railway closure, it was emphasised several times that this decision hit the interests of residents of remote settlements, the interests of the owners of garden plots and those people who used to “*pick berries and mushrooms in the woods*”. The important socio-economic divide between those who rely on public and private means of transportation suggest that the clients of public buses are mostly average income groups, pensioners and students.

During the fieldwork we observed that under difficult conditions people develop a kind of “transport solidarity” and mutual help. For instance, they share information about their travel plans, offer seats to neighbours in their private cars to go to Riga, join the municipal minibus when it goes to Riga or elsewhere.

Although the population and customers have a variety of interests and demands on passenger transportation, their role in shaping the regional transport system and influencing transport policies has been limited. Other actors and their strategies have been more decisive. The population has had few institutional mechanisms and systematically applied procedures of expressing their organised interests and advocating them in transport policy-making process at local and regional levels. The few forms of public participation have been customer complaints, proposals, and protest actions, such as picket and petitions.

**Local governments:** According to law local governments are responsible for provision of passenger transportation.<sup>14</sup> To fulfil this function, local governments can use such instruments as participation in the planning and licensing of routes, out-contracting of passenger services to transport enterprises, distribution of government subsidies for passenger transportation to transport companies, participation in government local roads maintenance programme and the use of its own resources for

---

<sup>14</sup> Law “On Local Governance” (Likums “Par pašvaldībām”).

road maintenance. The competencies of local governments include the identification of population needs in public transport, consideration of proposals, suggesting and discussing optimal routes and timetables at the district public transport committee where different proposals are evaluated from the economic and social points of view at a greater territorial scale.

In sparsely populated peripheries where private carriers are not interested to operate passenger services, some municipalities provide their own services, for example, Priekule municipality has purchased a bus to service approximately 170 people who live in a remote part of the municipality not covered by any other public transport routes. Local governments are experiencing increasing economic and social pressures to provide passenger services to the economically worst situated parts of rural population. Therefore many local governments try to combine two strategies in their municipal transport policies – to optimise public transport routes and to improve the inner roads infrastructure.

**Entrepreneurs:** Private businesses have reacted sensitively and intensively to the new demand for public transport and have largely succeeded in meeting it. A number of small bus companies has emerged and started competing with each other.

“Liepaja Bus Company” is the largest carrier in Liepaja district and it also provides services in long distance routes to Riga and other major cities. The company is seeking to promote several priorities such as passenger security and environmental considerations that were not viewed as of primary importance earlier. This company faces two main problems: unfair competition with small carriers, which often do not pay taxes and drive without licences, and difficulties in the renewal of buses for which there is not enough funds (*“A major problem is the renewal of our fleet. We cannot accomplish it with own funding. With own funding we can operate the buses but not replace them with new ones.”* Int. No. 6). The director of “Liepaja Bus Company” considers that the renewal of the fleet should be a joint investment by the company and local municipality and that substantial state and municipal subsidies are needed.

High competition in passenger transportation has determined that the market is overfilled and carriers try to reduce ticket prices to get their market shares regardless of cost prices. This situation is not economically sustainable in the long run: *“The market is overcrowded. It hinders the modernization of buses. It is difficult to control many carriers. Currently new routes are opened like this – people come and ask to open a route. Local municipalities order such a route and district transport committee considers it. Ideally, unified standards should be introduced in the whole country, which would regulate the frequency of runs and other conditions. All carriers should operate under the same conditions.”* (Int. No. 7)

#### **4. Public accountability mechanisms and procedures**

**Formal mechanisms:** These mechanisms include but are not limited to (i) the right of individuals and groups to submit requests to local authorities with regard to particular transport solutions; (ii) the right of individuals to set up protest actions such as pickets or manifestations; (iii) public consultations that local governments must hold during planning of transport policies; (iv) the public transport committee of the district

council where all parishes and towns have their representatives; (v) a subsidy mechanism whereby the state and local governments may support certain commercially non-profitable but socially necessary routes.

Every district council (including that of Liepaja district) has established a public transport committee composed of the deputies of local municipalities, the leaders of these municipalities and transport specialists. These committees essentially embody the core institutional mechanisms of public accountability. Liepaja district public transport committee meets monthly. It considers proposals from local municipalities received from population (such proposals for the most part concern the placement of particular routes and timing of particular services), hears the advice of specialists. The committee has experienced also other forms of communication from the population like signed petitions and pickets.

The basic function of the committee is twofold. It has to find solutions for every submitted proposal and it has to tackle conflicts. The sequence of processing a citizen's proposal is following: population → proposals to local municipality → proposals to district transport committee → analysis of situation → a decision about opening/rearranging a bus route and/or a decision concerning the allocation of a government subsidy to a particular bus route → opened competition for operating companies → the registration of the route at the Ministry of Transport → control committee for public transport and controlling quality of bus services.

**Actual public accountability processes:** In practice public accountability mechanisms are used unevenly. For example, public protests in the form of pickets are relatively exceptional. However, protest meetings do occur when there is a risk of drastically reduced transport supply in certain areas.

The public transport committee of the district council makes efforts to ensure what can be named public accountability: *"If an issue deals with a certain local government, we seek invite their representative and ask for a written explanation on the situation."* (Int. No. 5) The committee also has to handle conflicts between transport companies trying to maximize their profit on the one hand and the interests of some remote populations on the other hand. This is a rather complex task also because the district committee is supposed to take into account the principles of equal competition between large and small carriers. *"When "Liepaja Bus Company" refused to serve Dunalka route, we offered this direction to minibuses companies. Now they serve this destination twelve times a day. And this opened Liepaja's labor market, social services and educational facilities for Dunalka residents."* (Int. No. 5)

Also the public transport committee of Liepaja city council has held joint meetings with the public transport committee of the district council. Such joint meetings of several institutions may, in principle, be viewed as a public accountability process but they do not necessarily lead to solutions that satisfy all involved parties.

Although every municipality is represented in the district committee, its decisions sometimes neglect or – at least – are alleged to neglect the interests of particular municipalities. A possible reason is the insufficient consideration and analysis of the needs and proposals of that municipality. This implies that decisions are often taken without necessary discussions. This has a broader implication that a committee *per se*

does not establish public accountability but there is a need for complex mechanisms and practices of agreement, discussions, and analysis.

Therefore the current efficiency of the district public transport committee was evaluated differently. A representative of a town municipality confessed: *“A local municipality does not have any impact on the district transport committee’s decisions concerning schedules.”* A town mayor supported her opinion: *“The transport department distributes profitable routes. But there is politics made there and I am not sure that it is in the interests of passengers.”* (Int. No. 8)

The mayor also reproached the national government for caring only about the main roads but neglecting minor roads. Moreover local municipalities are relatively weak in negotiations with large carriers and it is hard for them to convince large bus companies to change their schedules. Local municipalities are weak actors also in relation with Liepaja city public transport committee: they could not persuade the committee to take a decision to designate a more convenient end stop place in Liepaja city centre. Rural and town municipalities have been too weak to consolidate their common interest and to position it in the negotiation with Liepaja city municipality.

However, informal communication and ad hoc problem solving often substitute formal public accountability provisions: *“We try to help when someone needs to get somewhere. The parish has its transport that we use to help. I also know that when a parish driver goes to Riga or somewhere else, he also takes someone else with him. I don’t know how they learn that the car is going let’s say to Riga but there is always someone. It’s of course not publicly announced that the parish car is going to Riga but people somehow communicate.”* (Int. No. 4)

Transport companies also employ certain informal practices with public accountability elements: *“We have a system that we visit parishes where we survey and talk about transport situation. If individuals from the population address us, we do not react directly but we go and talk with parish local governments.”* (Int. No. 6)

## **5. Outcomes**

Both among local officials and among population there are strikingly differing opinions about the potential and actual effectiveness of public accountability mechanisms. Nearly all public accountability provisions are subject to some complaints that they are insufficiently effective. For example, while the public subsidy mechanisms as such are considered as satisfactory, the amount of money paid as subsidies is criticized as insufficient: *“Subsidies for public transportation are not so fair. Where there is scarce population, subsidies are not enough.”* (Int. No. 4).

Cooperation with national government institutions is by and large regarded as virtually non-existent or ineffective: *“There is no cooperation with the Ministry of Transport. They don’t take us seriously.”* (Int. No. 4) This statement correlates with a broader perception that powerful agents are not sufficiently responsive. Namely, writing of letters and complaints may remain without any substantive results: *“The final stop in Liepaja is a problem. We kept on writing letters but there was no solution. City local governments have rather broad powers. They simply said that*



*rural people shall no go to the city center! The district council is a separate institution that has no say in the city. You don't have cooperation there.*" (Int. No. 8)

On the other hand, public accountability activities do fulfill a number of functions that foster effective and accountable problem solving. One such function is communicative. It is exactly public accountability provisions that allow authorities to learn about population needs for transportation and the population to convey their needs to the authorities. Another function is coordination. Public accountability provisions allow various agents to mutually adjust their interests and activities although not everyone's interests can always be satisfied. Namely, it is such collective institutions as the transport commission of the district council that provide opportunity for various parishes to look for solutions that satisfy the transportation needs of a larger number of agents.

Fieldwork in Liepaja district revealed a kind of paradox in terms of openness or closeness of the policy process. In principle, all stages of policy making in the area of regional transportation are subject to strict disclosure rules. Moreover there were no concrete indications that, at any particular stage, policy makers would attempt to exclude certain agents of groups. One interviewee who is an official in a small local government described the accessibility of local officials: *"Here everyone knows everyone. They come up [to local government officials] everywhere – on the street or in a shop. You cannot get to Mr. Sesks [the mayor of Liepaja] through three secretaries but here you can come any time often distracting us with trivia."* (Int. No. 8)

However, in certain instances transport planning, decision-making and implementation may appear to be closed and non-accountable. The analysis of the transport policy and fieldwork data indicate several possible explanations for this relative closeness.

First, in the earlier stages of transport policies, important state agents clearly disregarded the need to communicate and coordinate with other relevant agents. This was seen most clearly in the closure of Liepaja-Priekule-Vainode rail service where the local population was hardly even informed about the change let alone mutual consultations and coordination of needs and interests. While policy makers (national politicians, local politicians, administrative officials) now seem to have realized the importance of public accountability practices, several obstacles to open policy-making linger on.

Second, the lack of knowledge and understanding about public accountability practices hinder the opening of the policy process even if there are no institutional barriers and no agents are particularly interested in keeping the process closed. In the rural areas covered by the fieldwork, large segments of the population have extremely vague understanding about the functions and powers of any public institutions be it the national government or parish authorities: *"Local people do not understand that it was Kristopans [former minister of transport] who promised something. They don't even understand who is this Kristopans. They associate it all with the local government anyway."* (Int. No. 8) In other words, many people just do not know whom to hold accountable for what has taken place in the area of transportation or, for that matter, in other policy areas.

Third, the lack of knowledge is interrelated with the lack of actual and successful participatory experience. The protest actions that were aimed at keeping the Liepaja-Priekule-Vainode train service failed in the sense that this service was eventually closed anyway. Even though a number of bus services came instead, the population and even some officials tend to view this action as largely unsuccessful: *“The picketers did exactly what they could but the train was taken away anyway. Therefore here you can most clearly see the roots of disbelief.”* (Int. No. 8) In the given area, there is so little positive participatory experience that most people have not internalized participation as an effective means for defending one’s interests. During the discussion, the leader of the picket told that she was punished by the local municipality and made redundant as a result of being too active. Since then the woman has not found another job. In spite of the fact that the picket was an enormously intense expression of protest participation, it has not created sustainable long-term forms of citizens’ engagement. The core initiative group meets from time to time to communicate rather on personal but not political issues. They have not established an NGO or an active civic group with a clear purpose to influence certain local policies.

### III. DISCUSSION

The case study reveals a number of constraints that limit the impact of public accountability mechanisms and practices. While a number of actors are indeed accountable to a number of other actors, various structural and cultural factors also determine their actions.

Structural factors – such as the economic situation of a particular locality, the socio-economic situation of various groups of population, the geographic disparities, etc. – largely determine policy outcomes. No matter how responsive public institutions are vis-à-vis demands posed by the population, the services that can be provided are limited by the sheer amount of available economic resources.

Moreover while public accountability mechanisms in principle provide certain access to virtually all groups of population, competition for resources and most favourable policy solution shows that those actors and groups, which control larger resources such as finances and/or knowledge, are advantaged compared to worse-off groups. The worse-off groups may even find themselves in a somewhat reversed situation – due to their dependency on various types of public support, they become suppressed by the public authorities.

Multi-level policies make public accountability more complex in a number of ways. In such a policy, public accountability mechanisms become more complex and a number of actors find it difficult to understand the opportunities hidden in public accountability mechanisms. Moreover in a multi-level policy, it is not only necessary to make immediate service providers accountable to their clients but it may prove useful also to link various levels of government by using public accountability mechanisms. This may prove difficult because various levels of government have different bases of accountability, e.g. the national government is accountable to the whole national population while the local government is accountable to the local population. However, when the national government takes a policy decision that

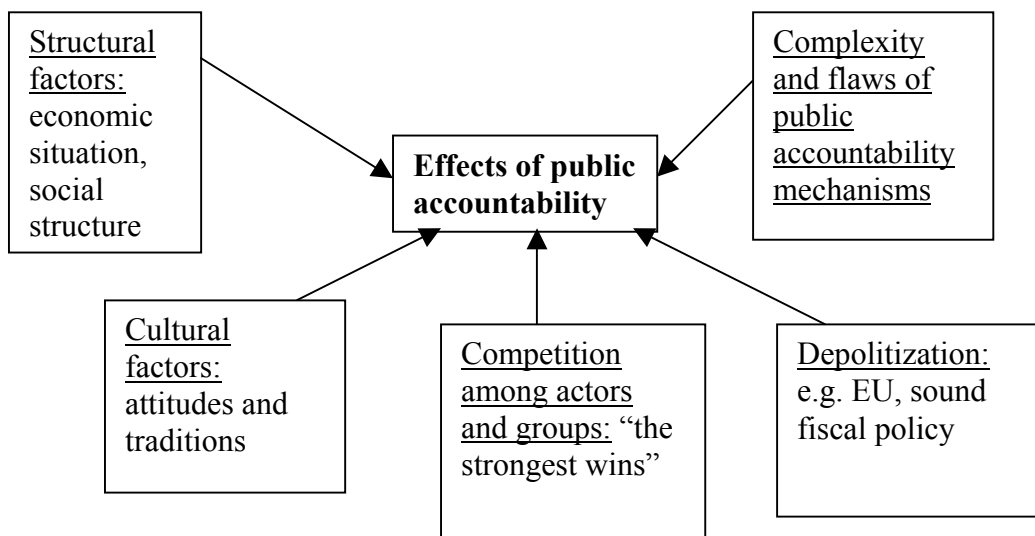
influences local interests, the local government has an understandable interest that the national government is in a way accountable to the local government.

The significance of public accountability mechanisms is limited also because certain issues are essentially removed from the political agenda. In other words we see the so-called depolitization of these issues. Thus the aspects of transport policy that are regulated by EU directives are removed from discussions because they are simply to be accepted. It is the underlying decision to accede to the EU that virtually frees policy makers from the duty to be publicly accountable for the myriad of decision and policies that naturally follow from accession to the EU. Also other issues such as a sound fiscal policy with limited deficits are mostly removed from policy debates and accepted as granted.

Moreover the actual functioning or mal-functioning of public accountability mechanism can be understood very well if one turns to the attitudes held on the individual level. It is quite clear that, for the understanding of functioning of public accountability, it is important to know not only what the public accountability mechanisms are but also what actors who are involved think of these public accountability mechanisms and their effects.

A purely consumer type of approach will most likely also lead to limited effects of public accountability. The idea of public accountability is essentially that actors are accountable for their actions vis-à-vis other actors. This might in principle reduce the likelihood of flawed decision and policies as well as limit the likelihood of certain policies being captured by a single or a few interest groups. However, public accountability may in no way guarantee favourable policy outcomes for all involved actors. If public accountability mechanisms are viewed and evaluated exclusively as means for gaining benefit from the policy process, actors who do not gain the benefit or gain less than anticipated will become disappointed over those accountability mechanisms. This will in turn result in further distrust in accountability mechanisms even though the actual problem will rest in exaggerated expectations.

**Graph 1: Factors that limit the positive effects of public accountability**



An important question remains whether we can conclude from this case that public accountability mechanisms can indeed achieve greater legitimacy for public policies and whether they can empower socially disadvantaged groups. Despite the above-mentioned limitations on the positive effects of public accountability, one can see also real positive effects.

This case study indicates very clearly that, as a minimum, public accountability mechanisms provided most social groups including those that are socially disadvantaged with channels for communication. However, this communication is in no way a certain means for actually influencing policy outcomes. Socially weak groups should acquire certain skills and even values before public accountability may ensure more favourable policies for them.

The necessary skills would range from pure knowledge about how public institutions work and in what ways they are accountable to experience in active political participation. As for the values, one may cautiously say that there is a need for a certain degree of communitarian values such as solidarity in order to enable a social group to make use of public accountability mechanisms. Overly individualistic attitudes do not allow for sufficient public accountability because public institutions in many cases are not accountable to particular individuals but to groups. For example, if a public institution is to reorganize a transport system in a particular locality, it takes more than one individual to be able to legitimately claim an influential say on this issue. The case study of passenger transport showed quite clearly that the issue of collective action must be solved before one can achieve functioning and sustainable public accountability, which allows one to improve policy outcomes.

The capability of public accountability mechanisms to improve the social acceptability of certain policies may also be affected by the degree of conflict between various actors. At least the case of passenger transportation in Liepāja district showed that, when there was a crisis and an open conflict, public accountability mechanisms could at most facilitate an immediate and short-term solution for the crisis. In the long term, however, the demands of the “loser” groups were nearly ignored. It remains somewhat unclear to what extent the transport solution that were eventually sought and implemented were the result of real public accountability at work and to what extent they were mere products of market forces and moderate mediation by local governments.

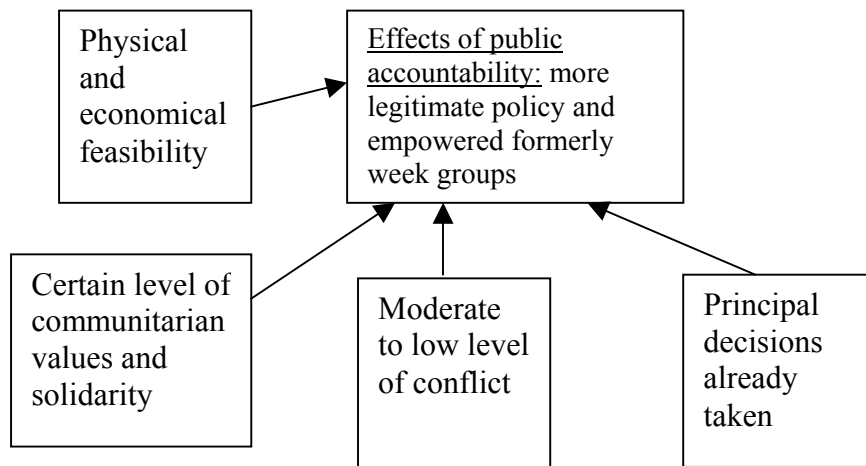
A modest estimate would be that, in the given case of passenger transportation, public accountability practices allowed policy makers to fine-tune policy decisions that were already made and policies that were already implemented. Indeed once there is a decision by the national government or by a local government to provide a certain service, it is in the best interests of this institution to use public accountability mechanisms (such as complaint procedures and public hearings) to be able to provide a more adequate service and to strengthen its own legitimacy.

Moreover the context of the policy must be at least to some extent favourable to actors who want to influence the policy through the mechanism of public accountability. It goes almost without saying that a policy cannot succeed if its stated goals are beyond what is physically and even economically possible. In practical terms, the economically possible would mean something that does not require

economic resources more than common sense would allow (the latter of course is a matter of disputes). However, if the transportation of one passenger from point A to point B by train costs the public budget more than would be the cost of taking the same passenger between the same two points by taxi, it is almost certain that the option of running the train would be viewed by policy makers as economically impossible.

Thus we propose a number of necessary conditions for public accountability to be capable of improving the legitimacy of a policy and empowering certain disadvantaged social groups (see graph 2).

**Graph 2: Necessary conditions for public accountability to improve legitimacy and empower groups (as stemming from the case study)**



Since here we have just a single draft case study, we have no possibility to conclude that the relationships shown in Graph 2 are in any way proved. However, these are tentative relationships that can be detected in our case study. These relationships do not have to necessarily hold under different circumstances but could be used as tentative building blocks if a broader theory were to be developed.

#### IV. PRELIMINARY DISCUSSION OF COMPARATIVE ISSUES

While the case of restructuring of regional passenger transport system in Liepaja district in Latvia has a number of peculiarities that will not be found in other cases analyzed within the PubAcc project, it nevertheless allows one to identify some possible comparative issues.

The restructuring of regional passenger transport system in Liepaja district has taken place under such economic constraints that are possibly not present in any of the other case studies analyzed in the PubAcc project. Significant groups involved in this case are lacking any serious experience of sustained democratic participation. Moreover the procedures and mechanisms (such as democratic elections and transparency requirements) that form the contents of functioning public accountability are relatively new in this case.

Nevertheless the case clearly indicates a number of issues that could be studied comparatively. First of all it is the issue of the functional role of public accountability. A piece of comparative analysis could be devoted to both common perceptions of the functional role of public accountability and explorations into this role in actuality. It is unclear whether it would be possible to achieve a uniform model of the functional role of public accountability. Instead research could result into the proposition of several functions, which public accountability fulfills in various contexts.

Another issue concerns the effects that public accountability creates for policy outcomes and the legitimacy and social acceptability of the policy. This is an issue of considerable theoretical and practical significance. An implied hypothesis here is that public accountability does improve the outcomes of public policy and particularly increases the legitimacy and social acceptability of the policy. A comparative analysis could aim at testing this hypothesis across several cases found in various European countries. This comparison might be complicated because of a lack of comparative data on the legitimacy and social acceptability of certain policies. This means that one could not, within this project, come up with any quantitative analysis of this effect. However, a more qualitative approach could lead to some less formal although still relevant conclusions on this issue.

This Latvian case on passenger transportation poses a particularly acute question on whether public accountability has the potential to empower socially disadvantaged groups. While some case studies may touch upon the interests and role of such disadvantaged groups, other may not. Therefore the empowerment of disadvantaged social groups may not be an issue, on which there will be equally available data from all countries with the project. However, the hypothesis that public accountability empowers socially disadvantaged groups could be explored as a sub-hypothesis at least for some cases.

The role and effects of public accountability may also vary also depending on the nature of a particular policy process. For example, where there is clearly a multi-level policy, both the functions and the effects of public accountability may considerably more complex than in cases where only one or maximum two levels of policy making are involved. These issues may become particularly complex where the European level of policy making is present. It appears that in such cases the accountability link between the highest and lowest levels of policy making is vague if not non-existing.

Comparative analysis could also focus on the effects of several other characteristics of the policy process on public accountability. These may be the number of involved agents (groups), the level of consensus or confrontation among them, the existing structural constraints of the policy, the presence of primarily participatory or subject and primarily communitarian or individualistic culture, the gradual or crisis-type of policy development, the urgency of the need to solve problems in a given policy area, etc.

## CONCLUSIONS

Since the middle of the 1990's, the manner of decision-making on the closure of passenger railway services has changed considerably. While some five years ago "The Latvian Railway" and the Ministry of Transport usually made decisions in a closed manner, nowadays these institutions organize consultations and even public relations activities before announcing final decisions. Basically these changes have not affected much of the substance of the policy but they have made it look more democratic and open.

Peripheral depressive territories reproduce a particular kind of discourse of incapability and passivity. The elements of this discourse are attitudes and beliefs such as: "The state does not care about us" and "There are so many unfair, dishonest and ugly affairs in political life". Another way of blaming the state is rumours such as "local authorities sold rails to somebody for 14000 lats when they could have sold them for 190 000." The criticism of the state is accompanied by rumours among uninformed people and their actual inability to influence local development process. (Int. No. 8). Both pensioners and surprisingly also the local municipality leaders represent this discourse.

The case study revealed the weakness of local governance as a democratic institution. There are several manifestations and reasons behind this fact.

- Historically the local governance in Latvia has fulfilled mostly administrative functions like issuing passports, registering land, implementing orders of the central government. The type of communication was top-down.
- There is no regular co-operation between the population and local government. Communication between the population and local authority proceeds on *ad hoc* and particular problem situation bases. There are no regular mechanisms of co-operation. A typical mechanism of communication between local municipality and population was characterised by one mayor: "Four times a year we publish a local newspaper. Then we organise annual meetings and publish financial reports. The rest are personal contacts and individual meeting people."
- The population expects that the local government should function as a service organisation providing street lightening, firewood supplies and all sort of assistance rather than as a democratic institution. This is an exploiting attitude towards local governance with little civic aspiration and understanding of population's own involvement and role.
- Many local municipality leaders similarly to large proportion of rural population criticise the central government for inappropriate policies. Often this criticism is based on myths, for instance, in Priekule we heard that somebody in the government could have lobbied the closure of Liepaja-Vainode railway to reduce competition for another transit railway line from Riga to Ventspils.
- Being dependant on social assistance from local governance, large groups of the population fear to criticise it. The actual link of dependency between the population and local government appears to be an existing problem situation.

- Local municipalities are left alone with many problems, which they should address. Meantime municipalities have scarce finances and non-existent or weak co-operation mechanisms with local society.

All in all public accountability tends to have a face-to-face communication character through informal links. Informal communication favours accountability in terms of increasing personal responsibility and direct forms of demanding for account. However, this greatly depends on the personal traits of local leaders and ability of the population to demand accounts. Institutional mechanisms and procedures of accountability are better established and used at the national level of governance than they are at local level.

We observed that public accountability mechanisms normally do not influence the principal outcomes of policy. If a rail service is planned for closure or if there is a plan to restructure the mechanisms for financing of passenger transportation, these moves are likely to be implemented no matter what protests take place. In spite of apparent positive achievements, the legitimacy of the passenger transportation policy appears to be weak in the eyes of significant population groups.

This may be explained by a number of factors. The lack of perceived legitimacy that is characteristic of political processes in Latvia at large transforms also into particular policies even if the substance of these policies is sound. Moreover large groups of population have very limited experience of democratic participation. Many people simply do not know how public accountability mechanisms could be used for the improvement of policy making to further their interests. The limited public accountability is aggravated by the fact that it is mainly the people with least resources that are dependent on public transportation. Hence their weak bargaining power in the policymaking.

Also the fact that the restructuring of passenger transportation in one district is largely the function of a national and – in some aspects – even European policy makes the understanding and effective use of public accountability mechanisms rather difficult if seen from the local level.



## REFERENCES

### Laws

1. Law “On Local Governance” (Likums “Par pašvaldībām”). “Latvijas Vēstnesis”, 24.05.1994., 22.06.1995., 31.05.1996., 20.02.1997., 13.11.1997., 25.11.1997., 18.02.1998., 26.06.1998., 21.10.1998., 29.12.1999., 30.06.2000., 05.01.2001., 21.06.2002., 09.01.2003.
2. Law on the State Budget for 2002 (Likums „Par valsts budžetu 2002. gadam”). Adopted on 29.11.2001. „Latvijas Vēstnesis”, 19.12.2001.
3. Railway Law (Dzelzceļa likums). Adopted on 01.04.1998. „Latvijas Vēstnesis”, 17.04.1998., 11.02.1999, 23.11.1999, 12.12.2000.
4. Railway Transportation Law (Dzelzceļa parvadājumu likums). Adopted on 21.12.2000. „Latvijas Vēstnesis”, 05.01.2001, 09.04.2002.

### Framework documents

1. The Ministry of Transport. Passenger Transportation Framework Document (Pasažieru parvadājumu koncepcija). 1999. // Transcript from the minutes of the Cabinet of Ministers meeting. 16.11.1999. 17. § On the restructurization process of the state-owned joint-stock company „The Latvian Railway” and the Passenger Transportation Framework Document, 3900-k, 4398-k
2. The Ministry of Transport. Framework Document on the Establishment of Agency for a Unified Route Network (Koncepcija “Par vienota maršrutu tīkla aģentūras izveidi”). 2001. // Transcript from the minutes of the Cabinet of Ministers meeting. 06.11.2001. 28. § Framework Document on the Establishment of Agency for a Unified Route Network 3690-k

### Media

1. Cauce, D. „Naudas trūkums var likvidēt vilcienus”. „Diena”, 21.04.2001.
2. Cauce, D. „Ar autobusiem vilciena vieta būs jabrauc vēl citiem pasažieriem”. „Diena”, 18.07.2001.
3. „LDz aģitē par autobusu satiksmi”. „Diena”, 16.07.2001.
4. Stals, A. A/s Vaiņodes dzelzceļš pagaidam vēl nav reģistrēta. „Diena”, 08.11.1997.
5. Stals, A. “Partrauc kursēt vilciens Vaiņode—Liepāja”. „Diena”, 25.02.1998.
6. Stals, A. „Vaiņodes iedzīvotāji bloķē sliežu ceļus”. „Diena”, 19.08.2002.
7. Stals, A. Rulle, B. “Vaiņodnieku nepiekapība maina ministra attieksmi”. “Diena”, 16.09.2002.

### Other

1. Data on passenger transportation by “The Latvian Railway” in December 2002 in the territory of Latvia (Ziņas par LDz pasažieru pārvadājumiem LR teritorijā 2002.gada decembrī). <http://www.ldz.lv/statistika/decembris.htm> Last accessed on 20.02.2003.

### List of interviews

Interview No. 1: Official of “The Latvian Railway”  
Interview No. 2: Official of the Ministry of Transport  
Interview No. 3: Official of Priekule parish municipality  
Interview No. 4: Official of Vainode parish municipality  
Interview No. 5: Official of Liepāja District passenger transport committee  
Interview No. 6: Director of a large bus company  
Interview No. 7: Official of Liepāja city council  
Interview No. 8: Officials of Priekule town municipality  
Group discussion: Former picketers in Vainode