



Latvijas Republikas Valsts prezidenta kanceleja Prezidenta preses dienests

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Address by H.E. Dr. Vaira Vike-Freiberga, President of Latvia, at the Swedish Riksdag, Stockholm, March 31, 2005

Mr. Speaker,
Mr. Director,
Excellencies,
Ladies and gentlemen,

It is an honour for me to address the deputies of the Swedish parliament here in the Riksdag, and it is a true pleasure to be visiting Latvias friends, which the people of Sweden most definitely are. The relationship between our two countries has been a close and friendly one since the reestablishment of Latvias independence in 1991, and its promises to grow even closer since Latvias accession to the European Union in May of last year.

This latest enlargement of the EU represents a major step in righting the historical injustice that had led to the decades-long subjugation of Central and Eastern Europe. Now, for the first time in its history, Europe is well on the road to becoming a united continent, not on the basis of force and armed conquest, as during centuries past, but of its own free will. For the first time, Latvia and Sweden can work as equal partners in an extended family of free and democratic nations.

We are sincerely grateful for the considerable support that Sweden has provided to Latvia since the reestablishment of our independence. Sweden holds the distinction of being the first country to re-establish a fully operational embassy in Riga, only days after the collapse of the Soviet coup in August of 1991. This courageous act of faith in Latvias future encouraged other foreign countries to follow suit, and helped to secure the international communitys recognition of my countrys rebirth.

Sweden actively championed Latvias accession to the European Union, for which we are also grateful, and has continued to be a friend and ally upon which Latvia can rely. While not the largest of countries, Sweden is one of Latvias largest foreign investors. In addition to that, Sweden is among Latvias top three trading partners.

The ties of affinity and partnership that link our two Baltic Sea nations are maturing and strengthening, in large part because our co-operation is based on shared values and common interests. Both our nations share a belief in the primacy of freedom, democracy, and the rule of law. Both of our nations wish to see a united Europe that is free of artificial divisions between East and West or North and South, between democratic and undemocratic or between rich and poor. And both of our nations wish to see the whole Baltic Sea region as an area of stability and prosperity. We are moving towards these common aims both through intensive cooperation and by working within the framework of regional and international organizations.

The increased cooperation of the Baltic and Nordic countries within a unified group of eight countries known as the NB-8, or Nordic-Baltic 8, is a political reaffirmation of our shared goals and values. This close relationship, based on an equal footing between all eight countries, is sure to stimulate the growth potential of our region. Initiatives such as the Baltic Development Forum will also help the Baltic Sea region to evolve into a globally competitive and dynamic part of the world economy. The Baltic Development Forum is

already serving as a framework for entrepreneurs and decision-makers in the generation and encouragement of ideas, as well as for the establishment of a business network around the rim of the Baltic Sea.

While the level of cooperation between our countries is increasing, it is far from having reached its full potential. For example, only three solitary Swedish students were studying at Latvian institutions of higher learning in 2004. I would be glad to see an increase in people-to-people contacts between Latvia and Sweden, and hope that the friendship between our nations will gain a new impetus next spring, during the world hockey championships in Riga.

Mr. Speaker,

For fifty long years, the Baltic Sea served as a dividing line between the free and the oppressed, between the haves and the have-nots. Now, with the accession of the Baltic States and Poland to the European Union, we have the opportunity to turn the Baltic Sea region into one of the most dynamic areas of economic activity on the European continent. I see the accession of my country to the EU not just as a happy ending, but rather as a new beginning.

Latvia, along with Lithuania and Estonia, plan to accede both to the euro zone and to the Schengen common visa space within the next three years. As a telling sign of my countrys progress, Latvia is no longer the recipient of bilateral aid from Sweden. The main form of European assistance to Latvia now comes through various EU funds.

In spite of the spectacular progress evinced by all the post-communist new EU members, a major challenge for us remains in reducing the large economic disparities that still exist between the EU's older and newer member States, and to do so as rapidly as possible. I have no doubt that the effective use of EU structural and cohesion funds will consolidate our gains and accelerate the positive structural changes in the national economies of the new member states. This, in due course will then help to lessen the social and economic inequalities that exist both within and between nations.

I would like to note with satisfaction that thanks to the high motivation of its population and a work ethic that even the Soviet occupation did not manage to destroy, Latvia has been exhibiting one of the fastest rates of economic growth in the European Union. We are determined to catch up with our more developed neighbours, and to catch up fast. We are anxious to reach the stage where, like Sweden, we become net contributors to the EU budget as quickly as possible.

In previous years, the EUs equalization programs and structural development funds have always produced viable and tangible results. They have greatly contributed to raising the standard of living of one new member State after the other, including Portugal, Ireland, Spain and Greece. So long as the recent EU members are afforded the same advantages, there is no reason why they as well should not become the next success stories of economic and social transformation. I am firmly convinced that in the medium term Latvia will be able to increase its per capita income level, which currently is still below 50% of the EU average.

However, we must also come to terms with the fact that Europes achievements have in a certain sense made Europeans the victims of their own success. Competition from the outside of the Union is becoming increasingly fierce. This means that Europe will have to take some painful steps to stimulate its economic growth, to meet the revised goals of the Lisbon Strategy and make EU a global player in the world economy.

From that point of view, the accession of ten new member states, where wages are generally lower, might provide the needed stimulus for Europe to regain its competitive edge. To start with, it is evident that the basic principles of a free market economy must remain in place; that the free movement of persons, goods and services must be observed within the EU-25. The EU will have to address some serious issues, where the social

contract in some countries has put in place unacceptable barriers to free-market economic principles. A common ground will have to be found without endangering the socially oriented gains that a number of countries, such as Sweden, are so proud of.

In this new age of globalisation, an additional series of serious challenges confronts not only Latvia and Sweden, but all of the countries in Europe. Notable among these are environmental pollution, disease (both animal and human), organized crime and terrorism, along with human trafficking and sex slavery. The large demand for sex services by clients in the richer Western countries has generated a supply from their poorer neighbours, and resulted in the illicit traffic of human flesh controlled by international crime rings. This serious social problem requires control measures that would target not just the supply side of the problem, but the demand side as well. These issues know no borders, and therefore must be dealt with in close trans-national cooperation.

Mr. Speaker,

In April of this year Latvia celebrates the first anniversary of its accession to the NATO alliance. I have no doubt that the expansion of NATO's space of security has greatly contributed to the collective security of the entire Baltic Sea region, including indirectly that of Sweden. Latvia is also contributing to peacekeeping operations under NATO command in Kosovo, Afghanistan, Iraq and Georgia.

In doing so we wish to strengthen the fledgling civil societies in these nascent democracies. During the recent past Ukraine and Georgia have undergone non-violent democratic revolutions that were very similar to the Singing Revolutions that took place in the three Baltic countries a decade-and-a-half ago. Latvia views support for these countries efforts to consolidate their democracies as a priority, and looks hopefully at the development of events in Kyrgyzstan, as well as in Moldova. We have learned a great deal through our own transition from a former captive nation to a parliamentary democracy, and from a communist, planned economic system to a free-market economy. We are ready to share this experience with those countries that are still in transition.

Returning to our own geographic region, Latvia views the continuing expansion of the European Union as a priority, as well as the adoption of the new European constitution. Although not an ideal document, the constitution provides a clear reference point for our future course together. It represents the culmination of the work that was begun 55 years ago, with the signing of the Schuman Declaration.

This May, we will also celebrate the 60th anniversary of the end of the Second World War. In Latvia, this anniversary is commemorated with mixed emotions, due to the fact that for us the end of one brutal occupation, that of Nazi Germany, was followed by another, that of the Soviet Union.

While unequivocally condemning the crimes committed by the Nazi Germans and their local accomplices, we also wish to turn the world's attention to the crimes committed by the Soviet Union over a period of several decades, all across Central and Eastern Europe.

I believe it the duty of all democratic countries to urge Russia to condemn the crimes that were committed during the Soviet era in the name of communism, and to urge Russia to come to honest terms with its history, just as Germany did following the end of the Second World War, just as my own country has been doing ever since it recovered its independence, and just as Sweden has done concerning the forced repatriation of Baltic military soldiers at the end of the Second World War. I would like to add that a bit less than two weeks ago, our Ambassador Mr. Brtulis inaugurated an exhibit about the repatriation of Latvian Legion soldiers to the USSR at Stockholms Living History Forum.

For the first time in our history, we have laid the foundations for building a new European home of secure, prosperous and stable nations that will eventually encompass the entire European continent. This is an opportunity that must not be missed. I am confident that the growing partnership between Latvia and Sweden will strengthen in the years to

come, as we work together for a new and better Europe without wars, conflicts and artificial borders.