

Cooperation has no alternative

EXCLUSIVE INTERVIEW WITH LITHUANIAN PRIME MINISTER ALGIRDAS BUTKEVICIUS

Lithuanian Prime Minister Algirdas Butkevicius (sixteenth head of government in 21 years of national independence) has been for long overshadowed by such bright Social-Democratic leaders as Brazauskas, Kirkilas, and Juršenas. Observers believe the convincing victory of Social-Democrats under Butkevicius leadership to the Saeima last autumn was predetermined by the election program of the party rather than by the charisma of its leader.

The Social-Democrats listed energy reform, the fight against unemployment and mass emigration, and elimination of the gap between the rich and the poor as their home policy priorities. The first decision of the new government fulfilled its election promise and raised the minimum wage to 1000 lits (close to 300 euro). It pledged to better consult society on all key issues and promote public consensus.

Butkevicius numerous said that when the taskforce discussing energy sector reform (with a new nuclear power plant or without it) provides conclusions they will be definitely submitted for public discussion. There will no longer be non-transparent decisions characteristic of the Conservative government.

In a brief time as the prime minister Butkevicius approved himself as an experienced and prudent politician. So far he succeeded to reconcile contradictions in the ruling coalition and softly but resolutely resist the attempts of President Dalia Grybauskaitė to push her decisions through.

Lithuanian voters were attracted by election promises of the current government

which offered a "reset" in relations with Russia. The prime minister numerous said Lithuania will promote mutual trust and build up cooperation based on future rather than the past. Opposition claims that new authorities turn their back on the West and betray their main strategic partner, the United States, by looking at the East were rebuked by Butkevicius who said the country should not turn its back either on Russia or the USA. We asked the head of government how Lithuania plans to build up relations with neighbors.

Mr. Butkevicius, The government program envisages and you also numerous stressed the necessity to "reset" relations with Russia. What should politicians do to thaw bilateral relations with neighbors?

First of all, I have to say it bluntly that I am a supporter of constructive dialogue. I hope for the same position of the Russian side. I stand for enhanced mutually beneficial cooperation with Russia, specifically in economic relations. Trade turnover between our countries is big at present, but it should continue to grow. Favorable business conditions and the initiative of entrepreneurs from both sides are necessary for that.

The comprehensive agreements between the European Union and Russia which are being designed at present have to give a new impetus to bilateral cooperation. Political, economic, and cultural relations between the two countries shall be based on mutual respect and understanding.

Lithuanian relations with Poland and Latvia have not been smooth of late. You have already paid official visits to the countries. Have you agreed with the Latvians on energy issues (construction of a nuclear power plant and a liquefied gas terminal) and with the Poles on problems related to national minorities?

Relations between Lithuania and neighboring Latvia and Poland are very close and productive. There are numerous big and strategic projects in trade and investments which confirm it. We are united by the commitments in the framework of the European Union and NATO and we jointly fulfill them. We are members of one family. Naturally, there may be different opinions on various issues, but we always listen to the arguments of the other party. I was convinced in it again during my first foreign trips to Riga, Tallinn, and Warsaw. Together with the prime ministers of Estonia and Latvia we reiterated our resolute intention to develop cooperation of the Baltic trika and more intensively promote the Baltic trademark which has already been recognized in the world.

We are united by common interests in the energy sphere, including energy independence and efficiency and the common internal market in the EU context. Latvia and Estonia continue to declare their interest in the construction of the Vysaginas nuclear power plant. They are currently waiting for Lithuania to complete the feasibility study of the project.

Polish Prime Minister Donald Tusk said relations between Lithuania and Poland are good. Poland would be glad to maintain such relations with other countries, but they should be the best with Lithuania. We shall join effort to achieve them. The position was confirmed by

Polish President Bronislaw Komorowski who visited Vilnius on February 16 to celebrate the day of Lithuanian Independence together with us. Our concrete projects have shaped out already: the agreement has been signed to build LitPolLink energy bridge and we shall jointly apply to the European Commission for financing the gas bridge between Lithuania and Poland. Both countries will unite efforts in the



implementation of the Eastern Partnership program of the European Union.

As for national minorities, the problems should be resolved by each country at home. They are resolvable. We have nothing to conceal from close neighbors and we shall not reject fruitful experience and advice.

Will there be a similar meeting with Russian Prime Minister Dmitry Medvedev in the near future? Which steps are being made to implement your idea of closer cooperation at the diplomatic level?

I accepted the invitation of Russian Prime Minister Dmitry Medvedev to participate in the conference of heads of government of the Baltic Sea countries which is to be held in St. Petersburg this spring (in the framework of the Russian presidency in the CBSS - ed.). It will be my first meeting with the chairman of the Russian government. No doubt one meeting and one talk are not enough. We have to expand opportunities for consistent and fruitful cooperation.

Representatives of the right-wing forces, mostly Conservatives, blame authorities for readiness "to cede to Moscow" in exchange for cheap gas. What would you say?

In a democratic society there is usually a healthy tension between the government and the opposition and discussions are underway on all issues. It is important not to lose the guide-

line of national interests. I would like also to stress that my government will work for solutions that are beneficial for all residents of Lithuania, but not at the expense of energy or national security. Our priorities include the drive towards increased energy independence through implementation of the provisions of the Third Energy Package of the EU (which contains proposals to liberalize the energy market, calls to unbundle vertically integrated energy companies, and regulates ownership and use of gas pipelines by handing over transportation networks to independent operators - ed.), construction of a liquefied gas terminal, increased energy efficiency due to active renovation of multi-apartment houses, as well as development of renewable energy. We shall also look for solutions that allow to decrease gas prices and consequently heating tariffs for ordinary consumers.

Don't you fear bitter criticism from the rightists if the government works for rapprochement with Russia?

Russia is our neighbor which maintains with Lithuania not only close energy ties and historic experience, but also has a common European agenda. No party and no group of people enjoy a monopoly in relations with Russia or any other country. Lithuania is a democratic country and a member of the European Union. Decisions

Algirdas Butkevicius was born in 1958 in the village of Paezeriai in Padviliskis district. He graduated as engineer-economist from the Vilnius Engineering and Construction Institute, studied in the Lithuanian Governance Academy and underwent traineeship in the United States. He joined the Social-Democratic Party in 1992 and was elected its chair in 2009. From 2004 to 2008 he was finance minister and then transport and communications minister in the Social-Democratic government of Algirdas Brazauskas and then Gediminas Kirkilas.

In the 2012 parliamentary election the Social-Democrats headed by Butke-

vicius received most of the votes. They created a coalition with the Labor Party, the Order and Justice, and the Electoral Action of Poles in Lithuania to form the constitutional majority in parliament and a coalition government. In November the Saeima approved Butkevicius as the Lithuanian prime minister. Lithuanian residents hope the new government will improve the economic situation in the country, as well as good-neighborly relations with Russia. Public opinion polls show Butkevicius is ahead of Lithuanian President Dalia Grybauskaitė in popularity ratings.

are adopted publicly and transparently and take into account public interest and long-term national development prospects. I do not doubt there is a place for Russia in the strategy: friendly, economically strong, and democratic state.

Radicals accuse new authorities of "betraying national interests". What would you say about it?

I have not heard such accusations and have nothing to comment.

According to official statements, the current main task of Lithuania is to win energy independence from Gazprom. Is it possible in the current situation and what did you mean by expressing hope that Gazprom would behave "like a gentleman"?

The national energy independence means, inter alia, the right to choose energy suppliers. There is no such possibility in the gas sector at present but it will emerge after the implementation of Third Energy Package which stipulates liberalization of the market. Gazprom will have to take into account the laws of the European Union and Lithuania and restructure the Lietuvos dujos gas distribution company which it partially owns. I hope Gazprom will behave "like a gentleman" and will carry out the necessary changes in cooperation with the government of Lithuania. Practical work to ensure energy independence is already underway. In 2014 the construction of a liquefied gas terminal in Klaipėda will be completed. It will allow gas supplies from any country of the world. It will definitely influence the pricing policy of traditional gas suppliers in favor of Lithuanian consumers.

Does Gazprom advance any demands which are unacceptable for Lithuania?

Constructive talks are currently underway however the Lithuanian position at the negotiations is clear enough: the implementation of the Third Energy Package and decreased prices for ordinary consumers.



The citizens of the country opposed the construction of a new NPP at a consultative referendum. You used to be also against the agreement signed with Hitachi. Did you change your mind?

The new government will avoid unbalanced and hasty decisions on the Vysaginas nuclear power plant. It is clear today the plant can go on only as a regional project and we shall take all effort to make it regional in

reality. I have instructed to create a taskforce to discuss the issue which is to submit its proposals in late spring.

The agreement with Hitachi was signed in complete secrecy. Will you stand up to the

commitment and inform the public which way Lithuania should go in the sphere of energy?

As soon as the abovementioned taskforce provides proposals the Saeima and the public will be immediately informed.

The Lithuanian shale gas prospecting and production project causes many public claims as well. It turned out the agreement with the American Chevron has already been signed. What can you say about it?

Shale gas prospecting and production is one of the guidelines for energy security in the region. The contract with the company envisages only prospecting. The public will be informed about the progress and results of prospecting for shale gas.

Despite reserved official relations between Lithuania and Belarus, Lithuania and Russia businessmen and ordinary people actively cooperate. How can we simplify people-to-people contacts? What is the progress in visa-free regime in border areas?

As for the visa-free regime, Lithuania has invested a lot into upgraded infrastructure of Lithuanian-Russian and Lithuanian-Belarusian checkpoints and border zone. We informed Belarus about our readiness to implement the agreement reached by the governments of the Republic of Lithuania and the Republic of Belarus on border-crossing trips by residents of border areas of Lithuania and Belarus. We are waiting for a confirmation from Minsk that it is also ready to implement the agreement.

Some people in Lithuania are dissatisfied with the fact that Russian actors come to perform in the country, Russian movies are shown on TV and in cinema halls. They view it as expansionist policy of the neighboring country. What do you think about it?

I believe no borders exist for the arts and the tours of Russian performers in Lithuania can be only welcomed. Genuine art always finds its listeners and viewers without any advice from authorities. I would like to hope that Lithuanian actors will also find their admirers on the immense space of Russia.

Thank you for the interview.

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