

**WHO DID ENRICH FASTEST?
A COMPARISON OF THE ECONOMIC GROWTH
OF BALTIC COUNTRIES IN 1913–1938**

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The paper compares the economic growth of Estonia, Latvia, Lithuania, and Finland (which was internationally perceived as a Baltic country in the interwar time) in 1913–1938. The Maddison project dataset is a standard (and only available) source providing comparable data (in 1990 Geary–Khamis international \$) on the GDP of European countries in the 1913–1938. However, its present version provides only the data about Finland’s performance. The Estonian historian Jaak Valge calculated internationally and cross-temporally comparable Estonian GDP figures for the 1923–1938 period. Applying a similar (“Estonian”) procedure of indirect measurement, the paper provides the estimates of the GDP per capita of Latvia and Lithuania in 1913, 1924, and 1938. The data inputs for these estimates are the calculations of national income (in current prices) by Latvian, Lithuanian, and German (The Economic Forces of the World, 1929) economists in the interwar time, the calculations of Kazimieras Meškauskas of the national income of Lithuania (at constant prices of 1924), and (most importantly) the pioneering research on the national income at purchasing power parity by Colin Clark (1905–1989). For the estimation of the national income of Latvia in 1913–1938, the author draws on the Clark’s calculations of Latvia’s national income from the second edition of his “Conditions of Economic Progress” (1951), which until now were not received in the interwar Latvia economic history. Taking into account the recent work of

the leading Lithuanian expert in the interwar economic history Gediminas Vaskela, the author revises his estimates of the GDP Lithuania, published in the monograph “Two Twenty-Year Periods of Independence: Capitalism, Class, and Democracy in the First and Second Republics of Lithuania from the Point of View of Comparative Historical Sociology” (2014). Although in 1938 Lithuania still was the least advanced Baltic country, its GDP per capita average yearly growth rate (4.3%) in 1924–1938 was the fastest. Finland’s GDP per capita yearly growth rate was 3.5%, Latvia’s –3.2%, and Estonia’s –1.9%.

AN INSTITUTIONALIST ANALYSIS OF CURRENCY BOARDS IN ESTONIA, LITHUANIA AND ARGENTINA

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This article analyses currency boards from the perspective of new institutionalism, namely historical institutionalism. New institutionalism holds the view that institutions have independent, autonomous effects on the social world. Once established, institutions tend to become stronger over time due to path dependency. At the same time, the new institutionalist literature has been criticized for either ignoring or not being able to properly account for institutional change. This article pays attention to both self-enforcing and self-undermining effects generated by currency boards. Furthermore, the interaction of the currency board regime with other national institutions is analysed. After laying out the theoretical arguments, this article empirically assesses them with the analysis of three cases of currency board regimes in Estonia, Lithuania, and Argentina. One of the findings is that currency boards tend to become more popular over time. This can be explained by several self-enforcing effects related to growing indebtedness in foreign currencies, currency boards’ role in ensuring macroeconomic stability as well as emerging the ideational consensus supporting the regime. However, currency boards also unleash self-undermining tendencies, primarily related to the increasing general indebtedness and deteriorating competitiveness. The relationship of currency boards with the broader institutional set-

up proved to be important. Unlike in Lithuania and especially in Estonia, the national institutional landscape in Argentina was unfavourable for the existence of the currency board regime. This was especially evident during the economic downturn of 1998–2002 when Argentina attempted to implement the internal adjustment strategy in order to safeguard the currency board. Nevertheless, Argentina's inability to quickly adopt a major fiscal consolidation package eventually led to the demise of the currency board regime. In turn, this inability can be attributed to the lack of informal norms of fiscal prudence, decentralized nature of Argentina's political institutions, and the organization of interest groups. The analysis provided in this article thus suggests that, despite important self-enforcing effects of currency boards, they are not sufficient to bring about the major transformation of a generally unfavourable national institutional landscape.

**PETRAS GRISHKEVICIUS' PERSONAL NETWORK:
BETWEEN CLAN AND CONSOLIDATION
OF NOMENKLATURA?**

SAULIUS GRYBKASKAS

The notion of a clan of the first secretary in the soviet Lithuania or, in contrast, the consolidated titular nomenklatura enables to penetrate deeply into the governing of the soviet republic. Key questions here are: what kind of networks? Could the sort of networks and trust help us explain political dynamics in soviet Lithuania and the reasons why exactly the Soviet Lithuanian Communist party became the first in the Soviet Union that broke with the CPSU in 1989? What kind of circumstances and political context made possible the horizontal links among nomenklatura members and made nomenklatura likely to be a more consolidated network than a personal clan of the first secretary in such a centralized soviet system? Seeking to draw a difference between a clan and a consolidated titular nomenklatura, useful is the concept of *krugovaya poruka* presenting the Lithuanian nomenklatura as a cycle of functionaries bound with interpersonal ties and collective responsibility against Moscow to drain out political forms

of nationalism in society. This article focuses on the personal network of Petras Griškevičius, the first secretary of the Communist party of Lithuania (1974–1987), revealing the importance of his networking in controlling the soviet Lithuanian nomenklatura.

**LITHUANIAN IDENTITY IN THE CONTEXT OF FOREIGN
AND SECURITY POLICY IN 1991–1994:
THE WAYS OF “RETURNING” AND TENSIONS**

JUSTINAS LINGEVIČIUS

This article offers an overview of the research on the construction of Lithuanian identity in 1991–1994 and the kinds of unfolded tensions regarding the integration processes. The study relies on the premise that in a recently restored and internationally recognized country foreign and security policy is directly related with the process of identity formation and self-positioning in the international politics. Therefore, it is important to analyze *how* this identity is constructed. Articles where politicians, commentators, intellectuals, etc., analyze the Lithuanian foreign and security policy from 1991 to 1994 form the basis of research. The concept of identity and its relation with security and foreign policy are analyzed from the post-structuralistic point of view; the research design and methodological steps are formulated using a discourse analysis. Discourse interpretations are divided into two dimensions: the first dimension is Lithuanian identity tendencies regarding Europe and the European Union, and the second is related to three different regions (Northern Europe, the Baltic region, and Central Europe).