

# **STRENGTHENING THE U.S.-LITHUANIA PARTNERSHIP: LITHUANIAN PERSPECTIVE**

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## **HISTORICAL BACKGROUND**

The last few years of Lithuania-U.S. relations have been marked by the historic decisions of NATO enlargement, thus concluding one chapter in the bilateral relationship and building an even stronger foundation for an ever-closer strategic partnership between the two nations in the future. The United States of America played a crucial role in allowing Lithuania and the other six Central European countries to be invited to the 2002 Prague summit to join NATO. On May 9, 2003, the U.S. Senate unanimously ratified the NATO Accession Protocols, thus paving the way for U.S. President George W. Bush's vision of "Europe whole and free, and at peace" to become a reality. Moreover, in the last few years we have enjoyed the unparalleled attention of the White House, the Hill and the American people.

The U.S.-Lithuanian relationship goes back to the beginning of the 20<sup>th</sup> century. The restoration of the State of Lithuania on February 16, 1918 and its international recognition were closely linked to the principle of self-determination advocated by the twenty-eighth U.S. President, Woodrow Wilson. America was one of the first to recognise the independence of Lithuania. Throughout the brutal Soviet occupation, America lived up to its principles, and never recognized Lithuania as part of the USSR. The tricolour-flag of Lithuania at the U.S. Department of State during the dark years of occupation was conveying the hope to hundreds of thousands of Lithuanians in America and worldwide that the most brutal breach of international law was just temporary and that the independence of Lithuania would one day be restored.

After Lithuania regained its independence in 1990-1991, the U.S. again was one of the first to come and support my country in those difficult times of transition. Political support, military assistance, investments and know-how were major factors in helping Lithuania overcome the Soviet legacy and build a foundation for democracy and free market. First of all, thanks to the hard work of the Lithuanian people, as well as U.S. and Western European support, Lithuania

became a member of the North Atlantic Alliance in the spring of 2004. On May 1, 2004 the 12-star yellow and blue flag of the European Union (EU) was proudly raised at the Embassy of Lithuania in Washington, D.C. As our dreams has come true and we have become full-fledged members of Western institutions, the obvious question have come to mind: What's next? What will be the glue which will hold together otherwise very different countries – Lithuania and the U.S. - in size and in strategic priorities? Is there a danger that having joined the EU, Lithuania's foreign policy decision-making and implementation will totally drift towards Brussels and that Washington D.C. will become just another foreign capital? Will the United States be interested in maintaining its active engagement in the Baltic region when events of the past few years have shifted U.S. attention and resources to other areas of the world? Are there foreign policy issues that could bring Lithuania and its neighbours, on the one hand, and the United States of America on the other, together again and keep them anchored in the Baltic region? How the membership of Lithuania in the EU will affect the bilateral relations and what will be the key areas, which will dominate the bilateral relationship?

## **"SPECIAL" LITHUANIA-U.S. RELATIONS**

It is widely expected that having joined the EU, Lithuanians will become even stronger Europeans; however, we will not become anti-Americans. On the contrary, with our membership in the EU and NATO, the U.S. gains another staunch ally committed to a strong transatlantic relationship. The history of the Lithuania-U.S. relationship and the presence of common interests make us optimistic about the future of close ties between the two countries.

Lithuania and the U.S. are bonded by strong political ties, increasing economic relations, close person-to-person contacts as well as mutual appreciation. The U.S. non-recognition policy of Soviet occupation, U.S. support in regaining and consolidating our independence in 1990 and U.S. leadership in advocating Lithuania's membership in the Euro-Atlantic institutions stand as the finest examples not only of "special" Lithuania-U.S. relations, but also as those of the U.S. commitment to defend freedom and liberty around the world.

However, what makes our relationship special is our history and commitment to the shared values of democracy, liberty and the rule of law. Lithuania and the other two Baltic countries have a great history of the promotion and defence of freedom and liberty. We cherish them. Separated from the West in 1945 by the "Iron Curtain", the Lithuanian people nevertheless retained their commitment and belief in the common values of free nations - democracy, individual liberty, and the rule of law. Our experience shows that the course of a nation's history does not only depend on the might of armies, but also on the character of men and women. As U.S. President George W. Bush put it during his visit to Vilnius in November 2002, "You have known cruel oppression and withstood it. You were held captive by an empire and you outlived it. And because you have paid its cost you know the value of human freedom."

The terrorist attacks of September 11<sup>th</sup> 2001 made us all reassess the criticality of shared values and the necessity of common actions to defend them. Great thinker, visionary and one of the founding fathers of his country, President Thomas Jefferson saw the United States as a great island of freedom in the midst of a world of tyranny. He blessed the Almighty Being for the fact that America was "separated by a wide ocean from the nations of Europe", and he hoped to keep it that way. September 11<sup>th</sup> changed this conventional wisdom. The United States itself became the battlefield. As the attack was not only against the U.S., but also against our shared values of democracy and liberty, so the response required multifaceted and multilateral efforts.

Therefore, Lithuania along with more than fifty other nations assumed the burden of responsibility for international peace and security in the wider Middle East. Today, about 120 Lithuanian troops stand shoulder to shoulder with American, British, Polish, and Danish soldiers in the operations in Iraq. Our special forces in Afghanistan are often cited as an example of the best integrated unit of any allied country within the U.S. contingent.

Membership in the North Atlantic Treaty Organization spells out the most credible security guarantees of the U.S. to Lithuania. Though Lithuania does not see any military threat from its neighbors, we do see new threats and challenges that the international community is facing in the 21st century, and we are ready to take the responsibility to fight them.

Furthermore, in the last 13 years our two countries managed to lay strong foundations for mutually beneficial cooperation in the fields of commerce, trade and investment. An increasing number of American firms - from Mars/Masterfoods to Coca-Cola, from Kraft Foods and Altria (formerly Philip Morris) to Motorola - are establishing themselves in Lithuania as a springboard to the opening markets of the European Union and a recovering Russia.

Lithuania-U.S. economic relations have contributed to the economic growth in my country. American investment in Lithuania has reached 413 million dollars and the trade between the two countries from January-November 2003 increased substantially. The export of Lithuanian goods to the U.S. increased by 18.5 percent compared with the same period in 2002 and in total numbers constituted 337 million dollars. Imports from the U.S. to Lithuania increased by 69.5 percent, totalling 148 million dollars.

Finally, Lithuania and the U.S. are connected by a "living chain", with approximately one million Americans of Lithuanian descent living in the USA. The moral and political support of Lithuanians in America even during the darkest years of Soviet occupation leaked through the "iron curtain" into their homeland, thus giving us hope that an independent Lithuania was not a question of "whether", but a question of "when." Today, the experience and the contacts of Lithuanian-American businessmen as well as charity foundations are very helpful in promoting the awareness of Lithuania, attracting U.S. investment and increasing trade and tourism.

## **LITHUANIA'S EU FOCUS AND THE U.S. SHIFT IN PRIORITIES**

As of May 1, 2004, the focus of Lithuania's domestic and foreign policy has shifted to Brussels, where important decisions affecting citizens are to be made.

Lithuania's membership in the EU brings profound changes and transformations in the conduct and management of the country's internal and foreign policies. This, in turn, will inevitably affect Lithuania-U.S. relations. Lithuania becomes an integral part of a political and economic union, which has common and/or coordinated policies in almost all fields of public life, ranging from taxation and trade to environment and education. The adoption of the European Constitution will even expand its horizons towards a greater role in foreign and security policy. It will take some time for all sides to get used to the fact that questions, which to date have dominated the Lithuania-U.S. bilateral agenda, will be managed within the complex decision-making of the U.S.-EU framework. As a full-fledged member of the EU, Lithuania will also participate in drafting EU policies and decisions towards the U.S. at the same table with the other 24 member countries. Lithuanian bureaucracy will soon be more greatly exposed to the issues which dominate the EU-U.S. agenda, such as coordinating policies towards the fight against terrorism, cooperation in extradition cases, transport security, genetically modified products (GMO's) and multilateral negotiations within the WTO.

The institutional shift towards the EU requires even greater demand of human, intellectual and financial resources. Each year representatives of Lithuania will have to participate - presenting national interests to shape the common positions of the Union - in over 5,000 meetings of various EU institutions. In the first year of membership in the EU, approximately 500 Lithuanian citizens will join EU institutions and become true Brussels-based "eurobureaucrats".

While in the aftermath of EU and NATO enlargements Lithuania's domestic and foreign policies are bound to lean towards Brussels, it is also important not to underestimate the changes occurring within the U.S. foreign and security policy at large and towards Europe and the Baltic region in particular.

The 1990's saw an unprecedented engagement of the U.S. in the Baltic region due to the complex puzzle of the legitimate aspirations of the Baltic States to restore their sovereignty and to join Western institutions. Initially, it included the U.S. broker role in helping to withdraw Soviet troops from the Baltic States. Later on it was followed by the strategic decision to help Lithuania, Latvia and Estonia join NATO and expand regional cooperation with Russia.

The September 11<sup>th</sup> terrorist attacks against the U.S. had a profound impact on the daily life of Americans and the superpower's strategic thinking and priorities. The U.S. attention has shifted away from Europe toward those parts of the world, especially to the wider Middle East, where the greatest threats to American security lie.

There is also a growing concern that once the Baltic States have become members of NATO, the U.S. may essentially regard the "Baltic puzzle" as resolved and disengage from the region. Indeed there are signs of this already happening: the Baltic States are no longer receivers of funds from the program of Support for Eastern European Democracy (SEED), transmissions of RFE and VOA in Baltic languages have been terminated and American NGO's find greater difficulties in receiving support from the U.S. Government to conduct exchange programs with Lithuania and the other Baltic states. That led some observers to state that the momentum behind the Northern European Initiative has begun to wane.\*

While recognising the obvious differences in the national strategic priorities of Lithuania and the USA, it is important to develop a new strategic agenda that will keep the U.S. engaged in the Baltic region. This will ensure the presence of a strategic player, the United States, which working together with Nordic and Baltic littoral countries, including Poland, can help to facilitate the change towards democracy and free market in the immediate neighbourhood of Lithuania and beyond.

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\* The institutional expression of the NEI remains a U.S.-Baltic Charter which was signed by the Presidents of the United States, Estonia, Latvia and Lithuania on January 16, 1998. Until 2001 it served not only as an excellent framework to help Estonia, Latvia and Lithuania to prepare and join the Alliance, but also provided a practical mechanism to coordinate Baltic-U.S. bilateral military and economic cooperation.

On the other hand, as the U.S. increasingly focuses on security beyond Europe, Lithuania needs to show how it can contribute to the broader security agenda of the U.S., particularly with respect to the promotion of democracy and stability in the wider Middle East.

In both strategic directions Lithuania will be more successful if, working together with other countries, it manages to create a platform that can function as a force multiplier, making them more attractive strategic partners for the USA.

## **NEW AGENDA**

When Lithuania was struggling on its way to EU and NATO, bilateral relations with the U.S. were primarily aimed at gaining U.S. support for our membership aspirations. Since Lithuania has become a member of these organizations, our international status changes either. Lithuania and the U.S. are linked not only politically, but also through the legal ties of allies. However, this doesn't automatically guarantee continuation of U.S. interest in Lithuania and the Baltic region at large. Therefore, the relations between our nations will continue to be effective and successful only if they are dynamic and reflect a comprehensive set of political, economic and cultural issues.

### **Political Framework of Cooperation**

As mentioned above, despite the differences in national strategic priorities, Lithuania and the U.S. could work together on specific projects aimed at promoting democracy, stability and security both within and beyond Europe.

Therefore the new Lithuania–U.S. political and security agenda might include two parallel and mutually reinforcing tracks: first, to continue and enhance Lithuania's contribution to the global war on terrorism, and second, to project stability and security in the immediate neighbourhood and beyond.

With regard to the first task, Lithuania will have to be pro-active and try to find its role in the broader U.S. foreign security policy agenda. It will be imperative to continue active involvement in the antiterrorist coalition, including its military and civilian contribution to security forces in Afghanistan, reconstruction and stabilization efforts in Iraq and eventually in other places where U.S.- or NATO-led operations might unfold in the future, including the wider Middle East.

There might not be sufficient capacity and resources for a small country to sustain its involvement militarily in every future mission. However, it would clearly be in the interests of Lithuania, especially in terms of its efforts to pursue and maintain an enduring partnership with the U.S., to have a so-called "niche", be it military or civilian, representation in those activities. Indeed, I think that Lithuania's practical contribution to the U.S.-led operations in Afghanistan and Iraq could be broadened to a wider political scale. The experience of Lithuania in getting rid of an authoritarian regime and of building democratic institutions and free market economies might be well employed in the wider Middle East.

By being a committed and credible ally sharing the burden of building stability and democracy in the wider Middle East, Lithuania would also most definitely advance its bilateral agenda with the U.S. One may observe a common interest here since the United States needs allies supporting its agenda and (however modestly) helping in their efforts to fight terrorism.

Obviously, NATO is likely to further evolve so it can be a natural and highly useful instrument, especially for Lithuania's military involvement in various operations. However, given its size and limited resources, Lithuania will also need to explore regional and bilateral frameworks within and outside the Alliance. Working together with partners will increase Lithuania's weight both in NATO and in Washington, D.C.

This leads me to the second track of Lithuania's new agenda, namely projecting stability and assistance cooperation to the East. Undoubtedly, there will be a certain shift in Lithuania-U.S. security cooperation: from the U.S. support for Lithuania's security needs to the coordination of

support for projecting and expanding security and stability in the immediate Lithuanian neighborhood and beyond.

Currently Lithuania shares its experience in political and economic transition to democracy and functioning free-market economy with interested partners in Russia, Ukraine, Belarus, Moldova and in such regions as the Trans-Caucasus, Central Asia and the Adriatic Sea.

We continue to share our experience of reforms and continue to support democracy, free enterprise and development projects in the Kaliningrad region of Russia.

In pursuit of a critical dialogue with Belarus, Lithuania is interested in maturing the seeds of civil society as it will contribute to democratization and rule of law in that country. Lithuania often provides a venue for training seminars and conferences of the Belarusian democratic opposition and journalists.

Working in cooperation with countries in the region such as Poland, Slovakia, Hungary and others, Lithuania is well-positioned to assist and facilitate Ukraine's pro-Western choice and European vocation in times of turbulent developments of a country in transition. We are eager to share with Ukraine our lessons learned and experience gained thanks to the integration process into the EU and NATO.

We have offered our experience of transformation and democracy building to Georgia; Lithuania finances the training of Georgian officers in the Baltic Defence College and in the Military Academy of Lithuania.

All these projects pursued by Lithuania reflect the spirit and the goals of a newly launched U.S. initiative in Northern Europe - e-PINE (enhanced Partnership in Northern Europe). We think that continued U.S. engagement in the Nordic-Baltic region and beyond has a stabilising effect; therefore, we applaud this new U.S. initiative which will enhance partnership in the region and breathe a new quality into the earlier U.S.-North European Initiative and the U.S.-Baltic Charter. Lithuania believes that e-PINE initiative creates unique opportunities to boost regional cooperation beyond traditional stereotypes, thereby expanding the geography of the democratic neighbourhood of the region, and also serving as an anchor for U.S. involvement in the Baltic region and beyond.

With one foot in the Baltic region and the other in Central Europe, Lithuania often finds great commonality of views with Poland, Germany and other countries when dealing with challenging issues over the nearest neighbours such as Belarus, Ukraine and the Kaliningrad region. Therefore, flexibility and openness of other e-PINE countries will be required so as to make the best use of the expertise and assets of other nations beyond the traditional framework of Nordic-Baltic countries.

Securing credible and practical bilateral and regional cooperation between Lithuania and the U.S. will also require greater financial commitments from both governments to make the U.S.-Baltic Charter and e-PINE related projects a reality.

### **“It's the economy, stupid”**

Borrowing from the Clinton-Gore campaign slogan in 1992 - “it's the economy, stupid” - the questions of investments, trade, and tourism should gain greater importance as we advance Lithuania-U.S. relations. Though Lithuania and the U.S. differ in size, and are separated geographically by thousands of miles, we have become more interdependent in the age of information and knowledge economy. The expansion of the EU will further facilitate and speed up this process; therefore, distance and size become less relevant in today's world. Indeed, the business community in Lithuania and America, sharing the same free market values, seek the best business conditions in both countries.

Certainly Lithuania's membership in the EU and NATO along with the country's strong economic performance provides new opportunities for American business and investment in Lithuania. As of the 1<sup>st</sup> of May, 2004, Lithuania has become a part of a 450 million-consumer

market. With strong pro-American sentiments and a well-educated and still not an overly expensive labor force Lithuania is becoming a springboard for American business in the EU. Moreover, Lithuania's proximity to the recovering markets of Russia and Ukraine and the knowledge of languages and culture make Lithuania a natural partner for American business to the East as well. Not surprisingly, we have already witnessed an increased number of Americans doing business in Lithuania. Finally, according to the July 19<sup>th</sup>, 2003 issue of *The Economist*, Lithuania has the fastest growing economy in Europe, which makes the country very attractive to Americans who are eager to trade or invest with Lithuanian partners.

On the other hand, the increasing number of Lithuanian researchers and trade representatives are rediscovering the 290 million-strong American market. Lithuanian business community now enters the very competitive American market with a stronger sense of self-confidence, which was missing during the early years of Lithuanian independence. On the other hand, this trend obliges Lithuanian business and government both to be innovative and more aggressive while exploring the vast opportunities of the U.S. market.

One of the results of efforts towards the reinvigoration of Lithuanian economic diplomacy in the U.S. is the foundation of the American Lithuanian Economic Development Advisory Council (ALEDAC), which gathers prominent Lithuanian-Americans from businesses and charities. Members of ALEDAC are helping us to promote the awareness of Lithuania, as well as investment, trade and tourism between the two nations. Their expertise and broad contacts provide an important tool for Lithuanian economic diplomacy.

We do strongly believe that greater consolidated efforts are needed to make Lithuania appear on the map of American tourists. The market of U.S. travelers to Lithuania to date is considered "a secondary market" because of a rather small number of U.S. visitors to Lithuania every year. Lithuania is still poorly represented in various tourism shows and U.S. magazines. Recently, however, we have noticed promising signs of greater outreach by the appropriate Lithuanian government agencies on the one hand, and U.S. press and tourist agencies on the other. Lithuania's membership in the EU as well as excellent economic performance draws the attention of the U.S. daily newspapers and business magazines. *The Sophisticated Traveler of the New York Times*, *the Boston Herald*, *the Chicago Sun-Times*, *Business Newsweek* and others name Lithuania as a "hot spot" to visit. Indeed, many Americans who have visited Lithuania find that this small Baltic country is probably still the best kept secret in Europe. As the *Boston Herald* put it in its September 21, 2003 issue "this beautiful and fascinating place [Lithuania] in Eastern Europe is about to become as touristy and expensive as the rest of Europe. But not yet. Go now, before everyone else discovers it!"

It is also worth mentioning that the opening of the Klaipeda Seaport Passenger Terminal in May, 2003 has provided new possibilities for American tourists. Since that time cruises have increasingly become one of the popular means for tourists to visit the Baltic States. In March of 2004 the Klaipeda State Seaport authority together with the Klaipeda City Municipality tourism department presented tourist attraction spots of Lithuania at the International Exhibition and Conference Serving the Cruise Industry in Miami, Florida.

We have every reason to believe that through greater awareness about Lithuania, interest from U.S. travel journalists and everyday visitors will continue and grow. It is important for the Embassy and Lithuanian Tourism Department to strengthen our outreach efforts in presenting Lithuania's beauty and hospitality to U.S. business travel associations, tour operators and journalists.

## CONCLUSIONS

“Special” Lithuania-U.S. relations have been formed historically and naturally; the U.S. has always been an advocate of our freedom and independence. The U.S. played a crucial role in Lithuania being invited to join NATO. Through the accomplishment of two major goals - Lithuania’s membership in the EU and NATO - we are opening a new chapter of bilateral relations, with broader possibilities and even better opportunities to advance and strengthen the relations between our two countries.

A new agenda along with new objectives and challenges will guide the Lithuania-U.S. partnership in the future. Its mutually supportive elements should include: greater efforts to boost trade, investment and tourism, coordinated actions in political and military fields to deal with dangers and risks to international security as well as regional projects to facilitate the advancement of freedom and democracy beyond Lithuania’s borders.

I am sure that both countries are ready to advance this new agenda of two passionate champions of democracy and freedom - Lithuania and the United States of America.