

The Editorial Note

The Baltic States – The Second Century



The year 2018 represented a celebratory time for the three Baltic states of Estonia, Latvia, and Lithuania. Each country had numerous events and attractions to commemorate the 100th anniversary of their independence. But what will the next century bring? There is the potential for challenging, but exciting areas for growth, both economically, socially, and culturally. There are also reasons for worry, particularly on the political front.

In terms of the economy, within the Baltic states, the quarter century since their re-independence from the Soviet Union, has represented rapid growth, and all three countries are members of the EU as well as the Euro zone. Although much of the rest of the World often views the Baltic states as one region, each of the three countries has forged ahead in terms of setting out their own unique perspective in terms of economics might. The focus of this Editorial note is to provide a brief overview of each of the three country's economies, and expectations for the future. For each country, a different

sector is reviewed. For Estonia it is information technology, for Latvia, the financial sector, and for Lithuania the agricultural sector. Together with some comparative measures, one will have a better understanding of this small, but important region that is geographically the gateway from Europe to Russia. This note also aims to provide a voice to firms, agencies, and governmental units to include Journal of Eastern European and Central Asian Research (JEECAR) in their consideration set to learn more about both academic and industry issues, in order to better understand this region.

The Republic of Estonia is the smallest of the three nations, in both size and population. In terms of the Estonian economic focus, Estonia has been a leading country in terms of technology (the programmers for the popular peer-to-peer telecommunications software SKYPE were Estonian), and more recently cyber security. The Republic of Latvia, in a similar fashion to Estonia and Lithuania, Latvia's emergence from the Soviet Union began within the banking sector, by inheriting the Soviet Union, single bank system. A major challenge was the limited access to banking management skills, and a lack of legal system to manage the banking networks that emerged. The Republic of Lithuania is the most southernly, and largest Baltic state in both size and population. In comparison to Estonia and Latvia, although Lithuania also was forcibly incorporated into the Soviet Union, the Russification that occurred was significantly less due to a limited size of the industrial sector with a greater focus on the agricultural sector.

This spotlight on Estonia, Latvia, and Lithuania, as all three countries enter their second century, has been to provide a brief insight into key aspects of each nation in terms of distinctive aspects of each, that arguably help to differentiate the three. One of the challenges that these countries have, and continue to face, is a majority view the three countries as a whole, and that they are interchangeable, or act as one group. Granted, there are numerous examples of similarities, and challenges that all three face in terms of shared economic, political, and historical experiences, but if each is to establish its own identity, beyond differences in language, there is a constant need to develop identifiers of their brand. One of the aims of JEECAR is to publish research in key fields of Eastern European and Central Asian, and Estonia, Latvia, and Lithuania, although small in size, can and do play a key role in bridging the divide both physically as well as socially and economically, with countries to their east. An increased exposure to insightful and meaningful research based in, and about, these countries continues to be of value.

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