

Lithuanian economy and policy driving values: a competitiveness perspective

Assoc. Prof. Dr. Eglė Stonkutė

Vytautas Magnus University, Lithuania

Context for the economy

I approach - at local level:

- ▶ Material
- ▶ Social: social interactions change values of state leaders, nations and institutions.

II approach - at international level:

- ▶ Internal values defended at international level
- ▶ External values as values and expectations expressed by foreign countries



National identity development

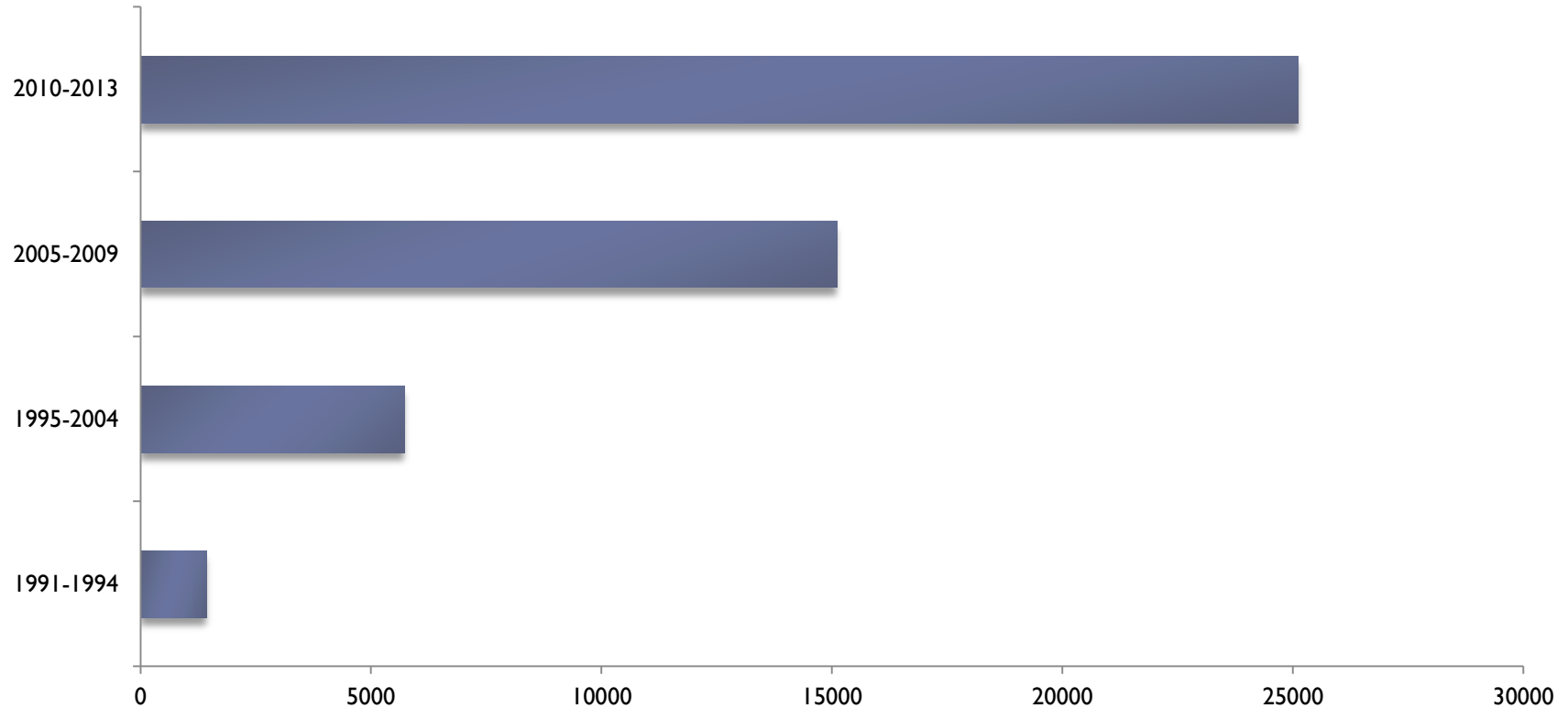
(according Karpaviciute, 2012)

Period	Stage	Elements of identity
1991-1994	Sovereignty	Russia – other; national identity, national country, historical true, sovereignty
1994-2004	Regional security and political integration	We – European country, Baltic countries, NATO member; emphasis on Western Europe democratic values
2004-2009	Euphoria	Socializing with EU, NATO, search for identity in region, idea of regional leadership,
From 2010	Specialization (pragmatism)	Development of new elements of identity: specialization, sub-regional orientation and its development; North and East European region



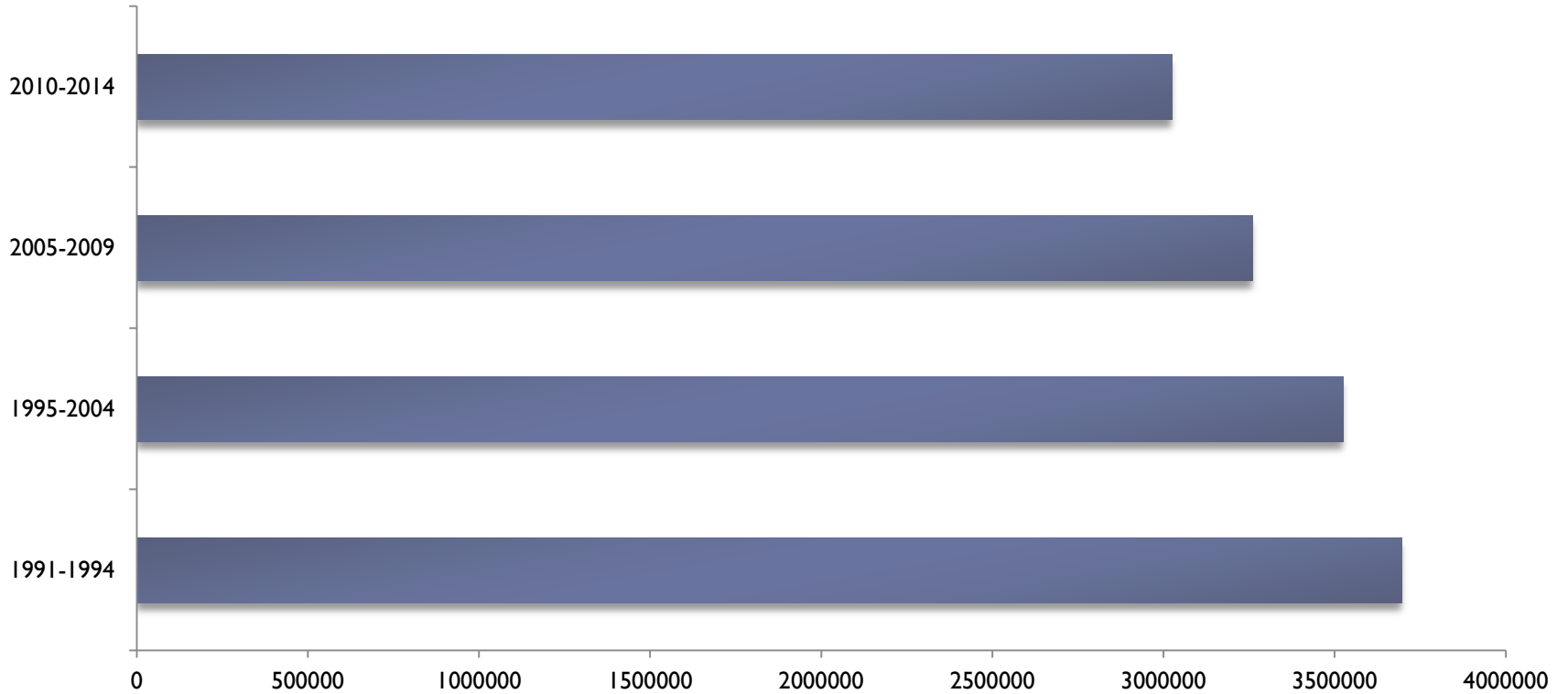
Export of goods and services, million euro

(Source: www.eurostat.eu.)



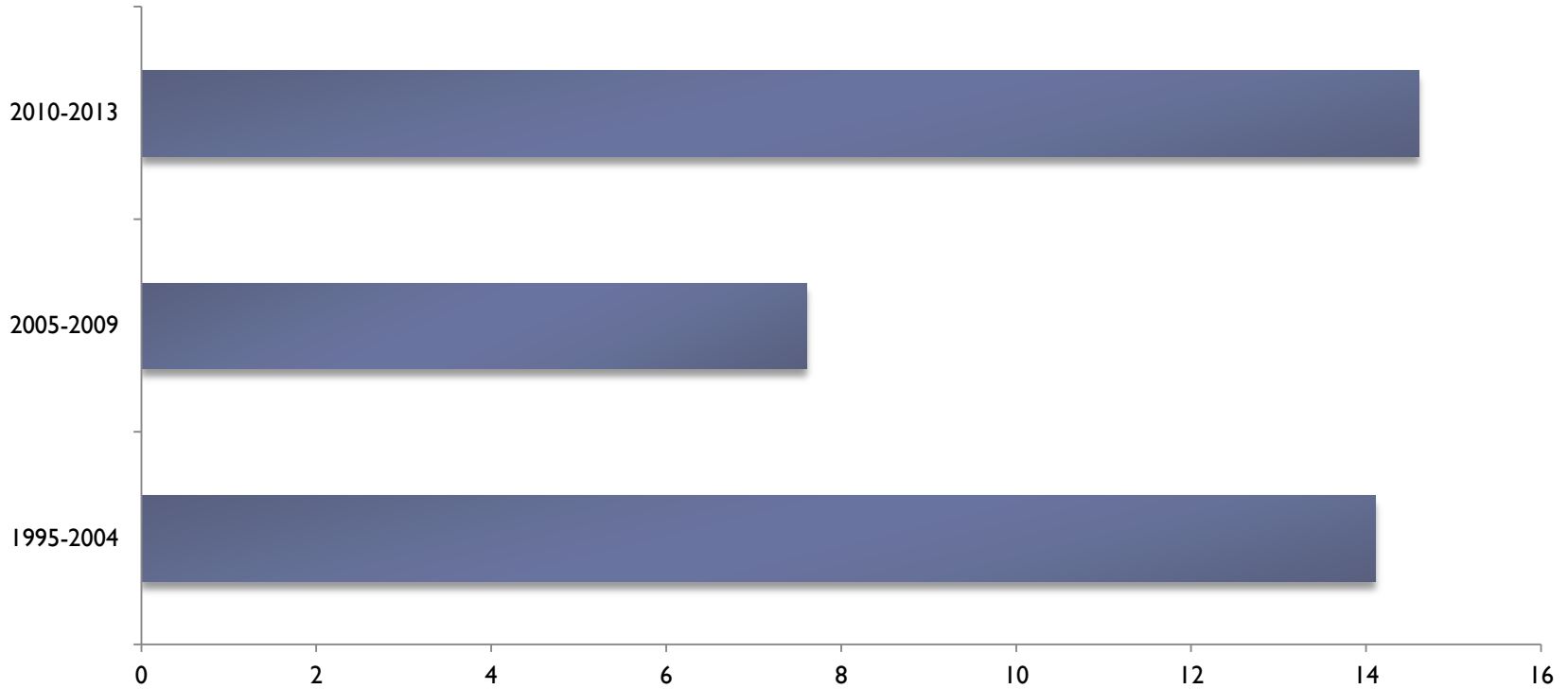
Population

(Source: www.eurostat.eu.)



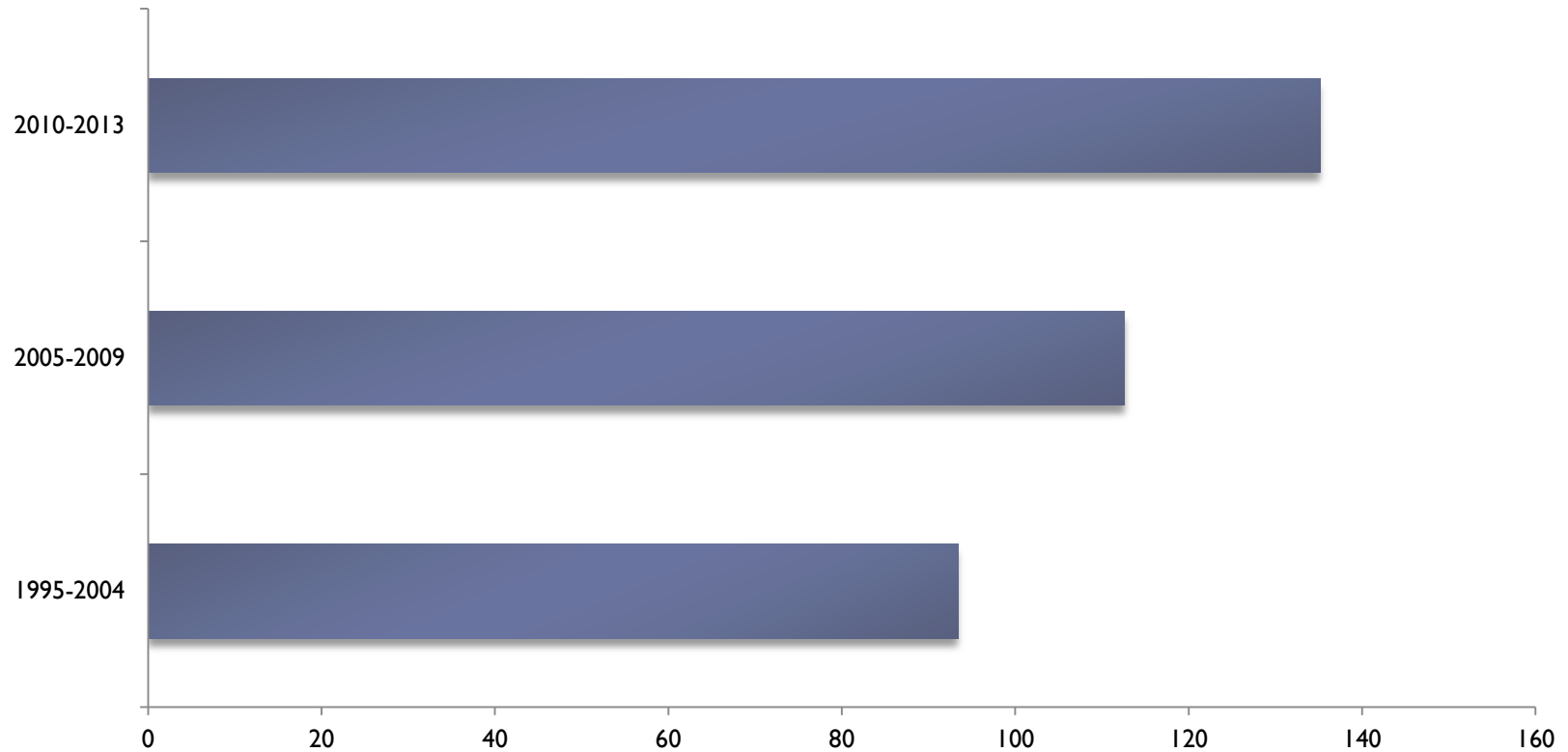
Unemployment rate, %

(Source: www.eurostat.eu.)



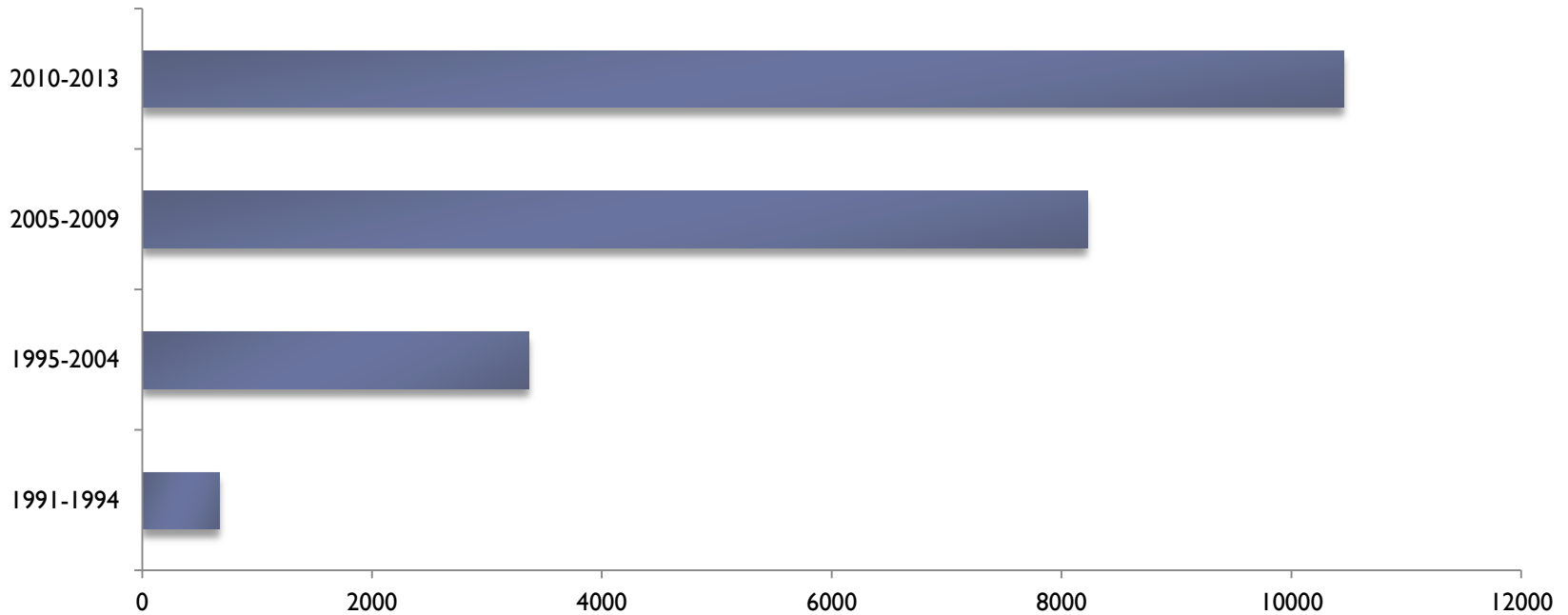
Harmonized Index of Consumer Prices

(Source: www.eurostat.eu.)



Gross domestic product per habitant, euro

(Source: www.eurostat.eu.)



National economy development

Period	Stage	Elements of economy
1991-1994	Driven insecurity	Numerous population, low income, high unemployment, rather low consumer prices, closed economy
1994-2004	Driven by expectations	Moderately emigrating population, low income, high unemployment, fast increase in consumer prices, exports increase
2004-2009	Driven by economic results	Emigrating population, increasing income, low unemployment, increasing consumer prices, exports increase
From 2010	Driven by pragmatism	Stabilization of emigration, decreasing number of habitants, high unemployment, increasing consumer prices, exports increase

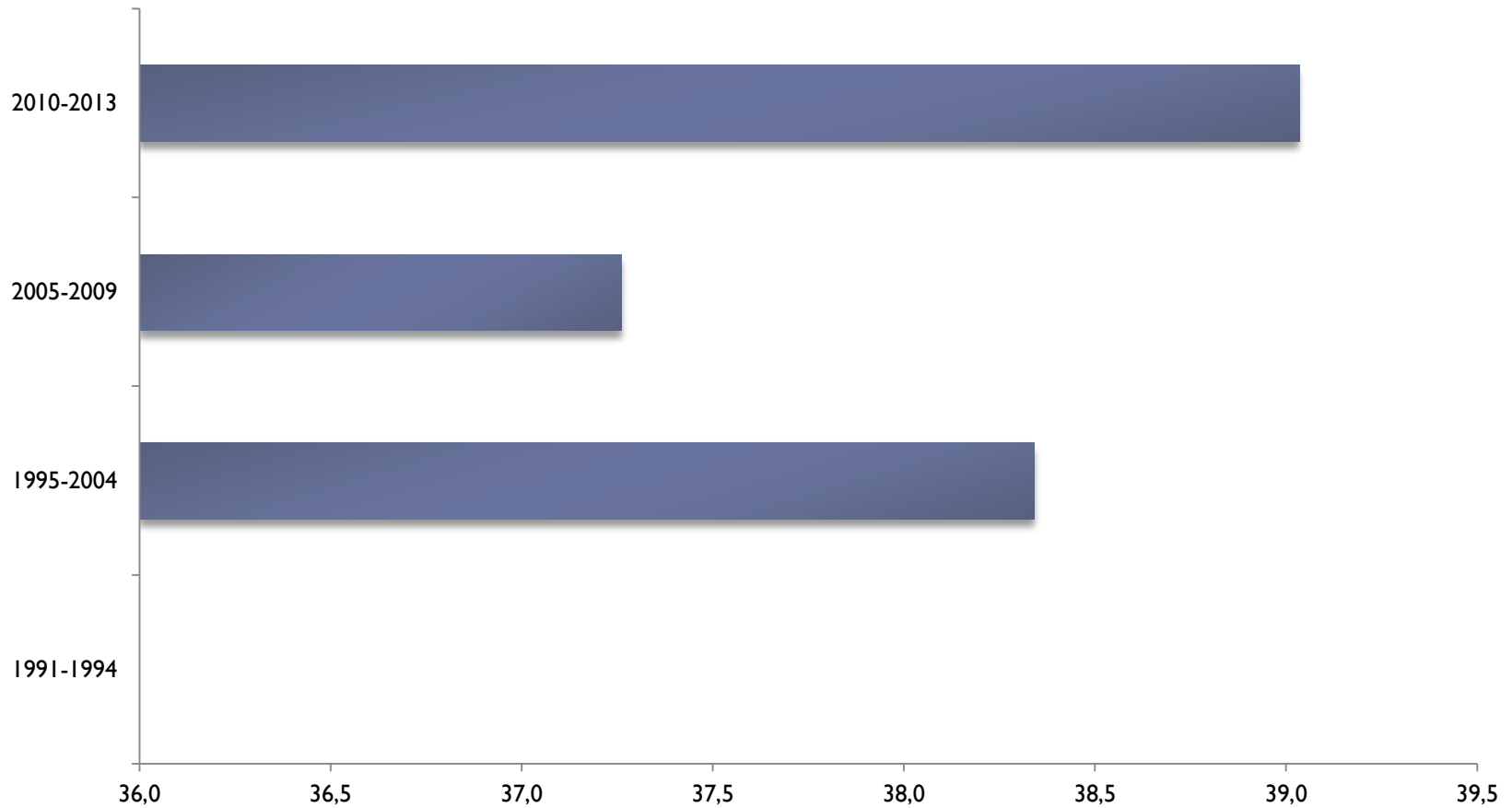
National policy development

Period	Stage	Elements of policy
1991-1994	Non competitiveness	Creation of basic institutions
1994-2004	Competitiveness - protected	Enhancement and development of institutions
2004-2009	Competitiveness - supported	Emphasis of policy mechanisms
From 2010	Competitiveness - effectiveness	Emphasis of policy



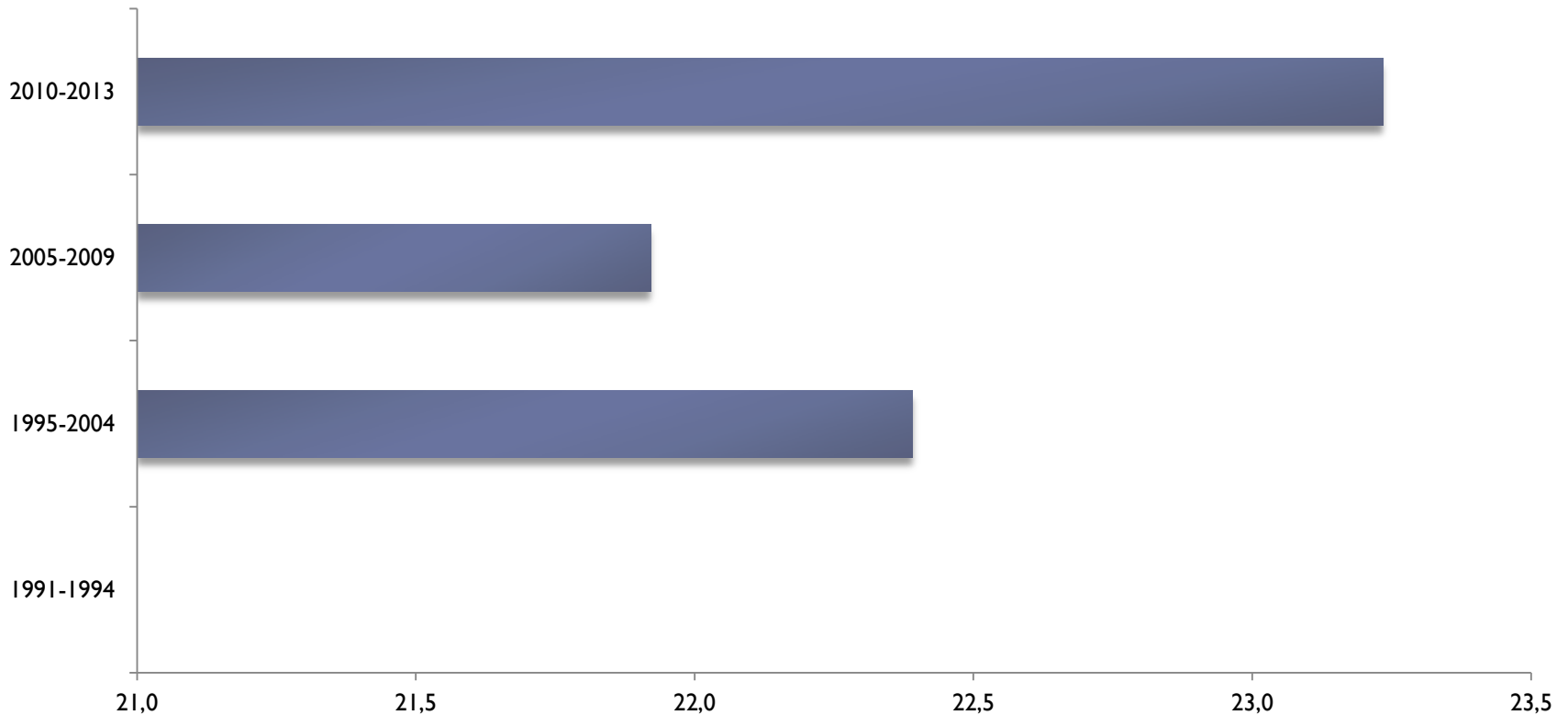
Total general government expenditure, % of GDP

(Source: www.eurostat.eu.)



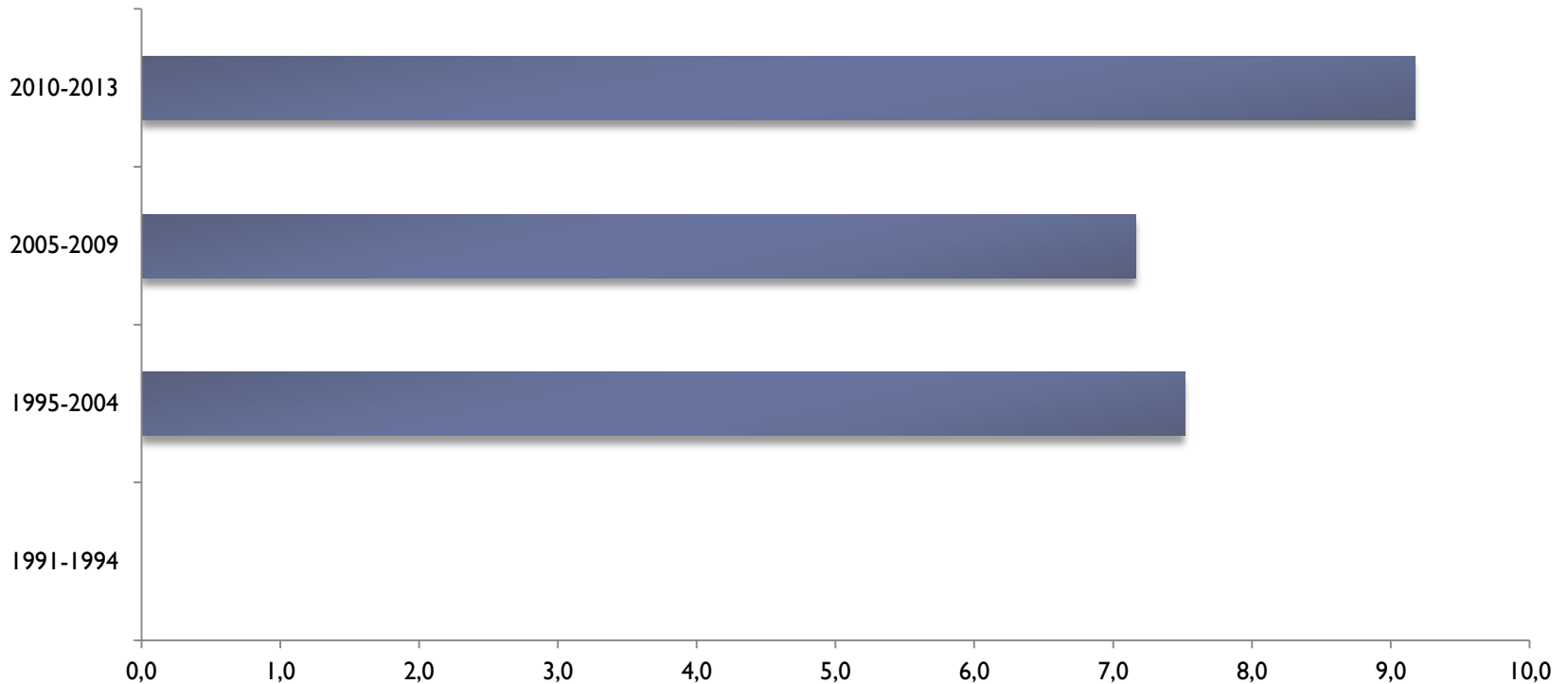
Central government expenditure, % of GDP

(Source: www.eurostat.eu.)



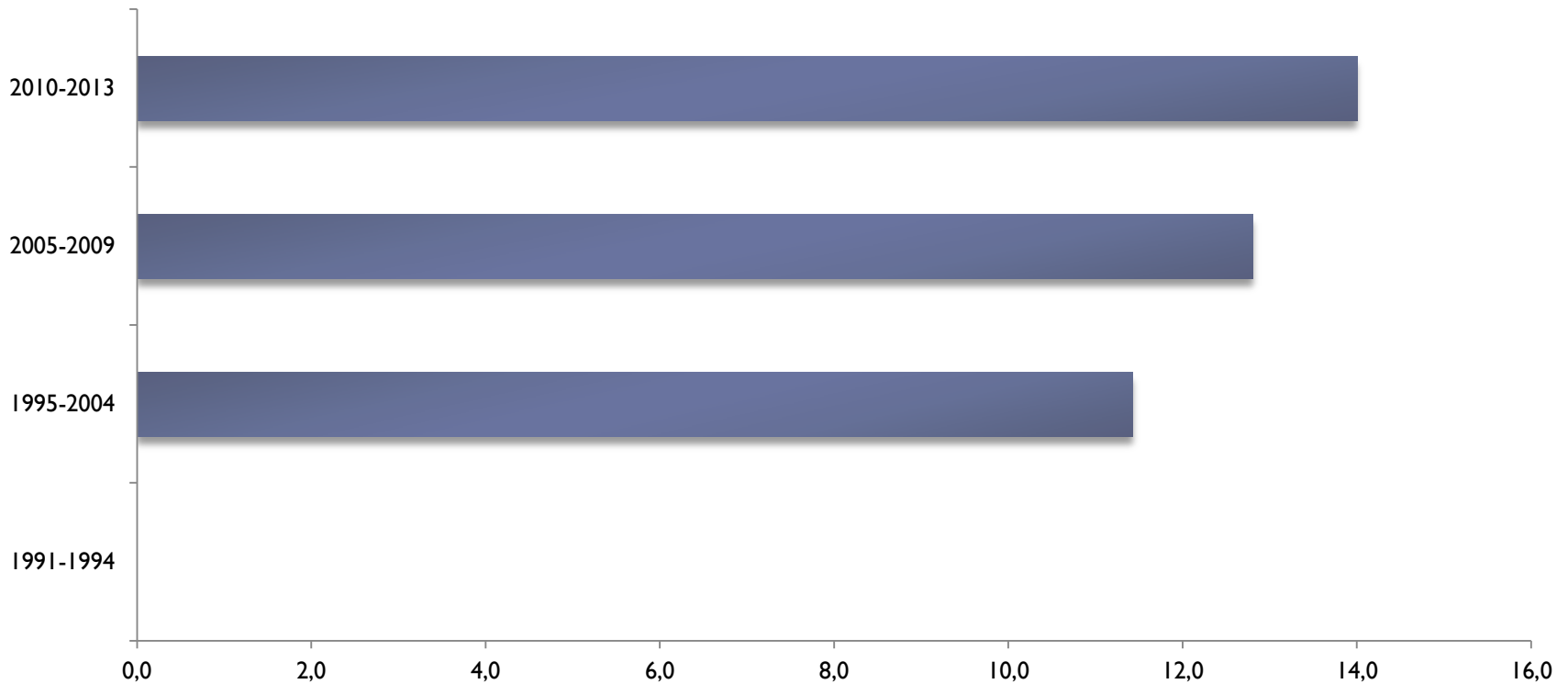
General public services, % of GDP

(Source: www.eurostat.eu.)



Social security funds, % of GDP

(Source: www.eurostat.eu.)



Conclusions

- ▶ Material and social context - protective, unsecure.
- ▶ Battle for sovereignty followed by regional integration, euphoria and entering the stage of maturity (pragmatism).
- ▶ Development towards openness and equal participation in competitive environment.
- ▶ Equal competitiveness as a function of national implicit and explicit values.



Thank you for your attention

Assoc. Prof. Dr. Eglė Stonkutė
Vytautas Magnus University Lithuania