Lithuania

by Mažvydas Jastramskis

Capital: Vilnius
Population: 2.9 million
GNI/capita, PPP: US$26,390

Source: World Bank World Development Indicators.

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NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. If consensus cannot be reached, Freedom House is responsible for the final ratings. The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year. The opinions expressed in this report are those of the author(s).
EXECUTIVE SUMMARY

In 2015, democracy in Lithuania remained stable. Although the country’s major problems persisted, corruption foremost, there were modest improvements in local electoral reform. Increased public trust in institutions indicated a further consolidation of the democratic system. Compared to 2014, when the events in Ukraine put international security and related fears high on the agenda, the political climate in 2015 was calmer and more focused on domestic issues.

The most important development in 2015 was the first direct election of mayors in the history of independent Lithuania. Though parties in some major cities experienced losses, and results were annulled in three districts due to violations of electoral law, the reform was relatively successful. One-third of municipalities elected mayors in the first round, and trust in municipalities has risen to the highest level in a decade. The reform has the potential to improve the quality of democracy in Lithuania, both by introducing accountability for mayors, which were previously elected by municipal councils, and by forcing political parties to further develop their local organizations. Party membership is growing slowly, but the modest increase in 2015 is mostly explained by an increase in the minimum party membership requirement to 2,000, which took effect at the end of the year.

The three-party center-left governing coalition remained stable during the year, with only one ministerial change in the government. Discussions on the new social model involving government-backed liberalization of the labor code and reform of the social security system, and Lithuania’s role in tackling the refugee crisis, dominated the domestic agenda and drew attention away from the crisis in Ukraine. Language policy issues remained unresolved as the parliament postponed a bill that would have enabled the use of the Latin letters q, w, and x in Lithuanian ID cards and passports, which would allow Polish and other people to use preferred name spellings.

Relations between the constitutionally nonpartisan president Dalia Grybauskaitė and the governing coalition, led by the Lithuanian Social Democratic Party (LSDP), were moderately strained on several occasions, but these issues remained below the level of political conflict. As in previous years, the president and the parliament disagreed over the position of prosecutor general, which is nominated by the president but approved by the parliament. Two failed nominations resulted in discussions about changing the constitution to transfer nominating power to the government. Despite these arguments, public trust in the judicial system’s main institutions (i.e., courts, prosecutor general, police) continued to increase. The Constitutional Court remained active in Lithuanian politics, with two significant rulings concerning municipal budgets and how voters are apportioned to the electoral system’s 71 single-member districts.

A majority of Lithuanians report being engaged in some sort of civic activity, but this is mostly high-profile, national-level nongovernmental initiatives, such as food drives and environmental cleanups. According to official statistics, there are a great number of civil society organizations (CSOs), but Lithuanians continue to doubt their capacity to influence political processes. Society in Lithuania is still reluctant to recognize LGBT rights, which is reflected at the political level: the partnership law currently under discussion does not envision same-sex partnerships. On the other hand, explicitly anti-gay bills that had been proposed in 2014 concerning fines for “public family defilement” and the like were again postponed in the parliament in 2015.

Obstacles to the development of independent media have become especially prominent over the past several years. Even though the parliament has repealed provisions regarding insult in the penal code, an article remains that includes the penalty of imprisonment for libel. Ownership concentration and politicization of media at the local level still pose important challenges for the quality of democracy. Temporary restrictions on two Russian channels rebroadcasting in Lithuania have raised questions about media freedom but are not serious steps toward censorship. The European Commission has acknowledged that Lithuania’s measures on Russian broadcasting have been compatible with European Union (EU) law.

The parliament adopted a new national anticorruption program in March that is committed to fighting corruption systematically and improving Lithuania’s performance on international indicators measuring the problem. However, scandals in the second half of 2015 again proved that the lack of government
transparency is a structural problem linked to both the party system and political values. It remains to be seen whether the governing LSDP will pass the test of commitment to transparency, as one of its influential members, the mayor of Druskininkai, had become entangled in a scandal over a mismanaged municipal company at year’s end.

Score Changes:

- **Local Democratic Governance rating improved from 2.5 to 2.25** due to the direct election of mayors for the first time, and increasing public trust in municipalities.

As a result, Lithuania’s Democracy Score improved from 2.36 to 2.32.

Outlook for 2016:
The governing coalition will remain stable, as there are no viable alternatives and the opposition is divided. Political life in 2016 will revolve around the October parliamentary elections. The governing LSDP is the clear frontrunner, though various scandals, especially allegations of corruption involving one of the party’s most prominent mayors, could bring its ratings down in the long term. Liberals Movement of the Republic of Lithuania (LMRL) and Homeland Union–Lithuanian Christian Democrats (HU-LCD) are seen as the most serious contenders for second place. One of the most important questions for the next year is whether the redrawing of single-member districts will significantly affect the election results. Security questions, like the defense budget and military conscription, should remain on the political agenda, but they are highly unlikely to affect the election results if the conflict in Ukraine remains frozen.
The three-party center-left governing coalition of the Lithuanian Social Democratic Party (LSDP), Labor Party (DP), and Order and Justice Party (TT) remained intact throughout 2015, controlling 79 out of 141 seats in the Seimas (parliament). Opposition in the Seimas was divided between the party of the Polish and Russian minorities, Electoral Action of Poles in Lithuania (EAPL), on the one side, and the right-wing parties Liberals Movement of the Republic of Lithuania (LMRL) and Homeland Union–Lithuanian Christian Democrats (HU-LCD) on the other. Former prime minister and current chair of the HU-LCD parliamentary group Andrius Kubilius remained the formal leader of the opposition. Public trust in political parties remains low: according to Standard Eurobarometer, it was around 9 percent in the first half of the year, and Lithuanian opinion surveys record even lower numbers.\(^1\)

Relations between the Seimas and President Dalia Grybauskaitė were moderately strained by the parliament’s rejection of two nominations by the president for the position of prosecutor general, in June and September.\(^2\) According to the semi-presidential constitution of Lithuania, the directly elected president nominates the prosecutor general and the Seimas approves him or her in a secret ballot (a similar appointment procedure applies to other state figures, most importantly the defense chief and state security chief). This creates a potential for inter-branch conflicts, especially considering the tendency of Lithuanian voters to elect presidential candidates without a strong party affiliation for what is, constitutionally, a nonpartisan post.

Observers blamed both sides for the inability to reach a consensus, with the president putting forth inferior candidates and the parliament exacting political revenge against the nonpartisan Grybauskaitė.\(^3\) In the aftermath of the second failed nomination, representatives of the governing coalition initiated discussions about changing the procedure and transferring the right to nominate from the president to the government.

The government composition remained stable in 2015 with one exception: in April, the minister of education, Dainius Pavalkis, resigned after leaders of his party (DP) expressed discontent that he had failed to implement the party program, although the demands were either too abstract (slow reform of schools) or not directly dependent on the ministry (wages of teachers). Pavalkis tried to hold on to the position and temporarily received the backing of Prime Minister Algirdas Butkevičius. However, this did not reach the level of a governmental crisis, and after a week of strain, Pavalkis resigned.\(^4\) The new minister of education, Audronė Pitrėnienė (DP), was sworn in in May. This raised the composition of female ministers in the government to 28.6 percent (4 out of 14), with 3 from DP and 1 from LSDP.\(^5\)

Much of the political debate in 2015 revolved around the social model project carried out by a group of experts under a grant from the Ministry of Social Security and Labor. The experts produced suggestions including a list of amendments related to liberalization of the labor law and reform of the social security system. These proposed changes, according to the prime minister, would attract investment to Lithuania and help create jobs, and the government backed the model in June with some minor revisions.\(^6\) However, despite government expectations that the Seimas would adopt the amendments within several months, the project was still under consideration at year’s end. Civil society and interest groups had criticized the process for being too unilateral and lacking consultations, and consensus in the Tripartite Council (an official body including representatives of the government, trade unions, and employer organizations) was not achieved.\(^7\)
In September, trade unions organized a rally against the reform near the Seimas building in Vilnius that attracted around 2,000 participants.

- Another important topic on the political agenda was the European migration crisis, particularly the issue of resettling a quota of refugees in Lithuania, as required under the European Union–wide resettlement deal reached in September. Government parties were moderately divided on this question, with LSDP arguing for collective solidarity with the EU and the leaders of DP and TT questioning the quota and ability of Lithuania to integrate its allotment of 1,105 refugees. The president’s position that Lithuania is capable of accepting this number of refugees effectively ended debates on the quota, though some parties (especially DP) remained opposed to EU policies on the matter. Following the Paris attacks in November, there were some signs that the political situation could lean towards the anti-refugee agenda. At the end of November, the Ministry of Social Justice and Labor, which DP controls, decided to remove the possibility of prolonging the integration process from 12 months to 5 years, and also sharply reduced the financial support the refugees will receive.

- Security questions and the situation in Ukraine were also on the political agenda, albeit to a smaller degree than in 2014. The defense budget was the main recurring issue, with the president advocating for defense spending to reach 2 percent of GDP by 2018, the level required by NATO but met by only a handful of its members. In 2014, the parliamentary parties had signed an accord on security policy that envisaged meeting this goal by 2020. Party leaders were reluctant to change this accord and set a new date, but economic projections showed that positive developments could allow for a more rapid increase to reach the target earlier.

- Political representation of the Polish and Russian ethnic minorities, which constitute 6.6 and 5.8 percent of the population, respectively, remains quite strong: the EAPL political grouping still holds eight seats in the Seimas, and the party has one seat in the European Parliament. After the 2015 local elections, the coalition of EAPL and Russian Alliance retained a strong grouping (second place, 10 out of 51 seats) in the Vilnius council and two majorities in the Vilnius region and Šalčininkai municipalities. However, important issues regarding language policy remain unresolved. In May, on the last day of the spring session, the Seimas postponed a bill that would enable the use of the Latin letters q, w, and x (not available in the Lithuanian alphabet) on Lithuanian ID cards and passports, which would allow Polish and other citizens to use preferred name spellings. The State Commission of the Lithuanian Language opposes the bill.

### Electoral Process

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- Following the previous year’s amendment to the Law on Elections to Municipal Councils, Lithuania held its first simultaneous elections to the municipal councils and direct election of mayors in March 2015 (see “Local Democratic Governance”). From the perspective of electoral process, implementation of the direct mayoral elections proved to be relatively troubling. In the first round on March 1, police received 178 reports of fraudulent behavior, mostly unauthorized agitation and voter fraud such as vote-buying and transportation, and launched five pretrial investigations. Though no violations were reported in the second round on March 15, the level of violations was nonetheless in line with the 2011 local elections, when there were 180 reports on election day. The Central Electoral Commission (CEC) found the polls had violated electoral law in 3 out of 60 municipalities. The mayoral election results were annulled in the municipalities of Šilutė, Trakai, and Širvintos; the results of the municipal council elections were annulled in Šilutė.
and Trakai.\textsuperscript{15} New elections in these three municipalities were held in June, and the CEC recognized those as fair.

- Two elections to vacant parliamentary seats took place during the year: the first in March in the Žirmūnai constituency following the departure of Vytenis Andriukaitis to the European Commission, and the second in June in the Varėna-Eišiškės constituency following the election of Algimantas Kašėta as mayor of Varėna. LMRL won the first mandate and LSDP took the second.\textsuperscript{16} Two parliamentary parties (DP and HU-LCD) had a change of leadership.

- It is notable that four out of six Lithuanian parliamentary parties (HU-LCD, DP, EAPL and TT) now have leaders that are members of the European Parliament, and thus serve outside of Lithuania. It is still not clear how this could affect competition before the 2016 parliamentary elections. Other party chairs lack the visibility of LSDP leader Algirdas Butkevičius: according to opinion polls, more than 30 percent of the population sees Butkevičius as the most suitable politician for the post of prime minister. No other party leader is above 10 percent.\textsuperscript{17}

- As of November 2015, there were 38 registered parties in Lithuania, and a liquidation procedure is ongoing for one party due to inactivity and lack of members. According to the data of the Ministry of Justice, 118,813 Lithuanians were registered with a political party as of October 2015: this number accounts for 4.1 percent of the population, a 0.3 percent increase from 2013.\textsuperscript{18} An amendment in 2013 raised the minimum party membership requirement from 1,000 to 2,000 members as of December 14, 2015.\textsuperscript{19} With only 15 political parties having more than 2,000 members in Lithuania, this change could lead to a number of liquidation procedures.

- In October, the Constitutional Court ruled that the current procedure of voter allocation in the single-member parliamentary districts (71 out of 141 seats in the Seimas) is in conflict with the constitution. According to the Law on Elections to the Seimas, deviations from the average number of voters per district should not be more than 20 percent, but the OSCE and other international organizations recommend deviations of no more than 10 percent.\textsuperscript{20} The court declared that the law’s 20 percent deviations create a situation where votes in different single-member districts are unequal, violating the constitutional provision of equal suffrage. The problem of malapportionment has come about in the last decade mostly due to emigration, with 13 districts out of 71 having more than a 20 percent deviation from the average.\textsuperscript{21}

- In December 2015, the Central Electoral Commission (CEC) approved new boundaries for electoral districts that are in line with the 10 percent deviation rule.\textsuperscript{22} However, there was some indication of political pressure and possible gerrymandering, as the CEC approved only the seventh version of the project, and interim versions were not widely discussed. Some former districts with safe seats by the oppositional parties were broken up: for example, Šiauliai rural district, which elected the only parliamentary member of the Lithuanian Peasant and Greens Union, was divided into several districts. The CEC also rejected the possibility of retaining eight districts in Kaunas where the largest opposition party, HU-LCD, is traditionally strong.\textsuperscript{23}

### Civil Society

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- On the surface, civil society in Lithuania appears to be extensive. The Statistical Office reported that at the beginning of 2015 there were 17,512 associations, 1,507 charities and support funds, and 9 public organizations. However, considerably smaller numbers are reported as active organizations (meaning primarily those with employees that respond to official contact), i.e., 3,618 associations, 242 charities and support funds, and 1 public organization.\textsuperscript{24} Nongovernmental organizations (NGOs) and civic groups generally function without interference from the authorities.
According to a 2015 study by the Civil Society Institute (CSI), the most common civil actions in Lithuania are charity donations to individuals or organizations (55.9 percent of Lithuanians) and participation in environmental cleanups (49 percent). This coincides with the visibility of two national NGOs, “Food Bank” (Maisto bankas), which supplies food donations for the poor, and “We Do” (Darom), an annual environmental cleanup initiative. However, apart from these two activities, only participation in local community issues (33 percent) is above 20 percent.

CSI’s study also showed a significant decrease in participation in non-internet petitions: only 8.2 percent of Lithuanians engaged in this activity, down 6.3 percent from the 2014 study. Public participation in demonstrations, rallies, and strikes is also on the decline. Low public participation in civic actions, together with the limited administrative and financial resources of civil society, remain problems. There are some exceptions, such as trade union demonstrations (see “National Democratic Governance”). An ongoing watchdog initiative for election transparency, “White Gloves,” also deserves mention, as the volunteers from this organization were active during the 2015 local elections.

The LGBT community in Lithuania continues to face societal and political challenges. Anti-gay bills that were postponed in parliament in 2014 were postponed again in November 2015. Notably, the Ministry of Justice consulted with Lithuanian representatives of the Catholic Church regarding a domestic partnership bill, but LGBT organizations were not invited to participate. A recent study by the European Commission showed that 50 percent of Lithuanians think that LGBT persons should not necessarily enjoy the same rights as other people, more than double the EU average of 23 percent. However, in October, the administration of Vilnius municipality made a decision to allow the Baltic Pride parade to take place on June 18 of the following year on Gediminas Avenue, one of the capital city’s main thoroughfares, resolving an issue of heated debate for several years.

There were several protests by ethnic minorities regarding school closures and the introduction of a uniform final exam in Lithuanian language. According to the Ministry of Education and Science, the changes apply to all municipalities: 14 minority and 150 Lithuanian schools will be closed due to the drop in number of pupils. Protestors demonstrated against the closure of minority schools where subjects are taught in Russian or Polish, and demanded the introduction of a mother-tongue (Russian, Polish, and Belarusian) final exam. Graduates from Russian and Polish schools do not have systematic problems passing the uniform language exam, and there are some exemptions allowing a higher margin of error for minorities on the exam. The question remains highly politicized, though, with non-ethnic parties reluctant to introduce exemptions for minorities and the ethnic minority party, EAPL, using the issue to retain its political representation in the Seimas and electoral base in the Vilnius region.

The influence of illiberal movements and extremism in the public sphere remains minimal. A demonstration in Kaunas against the acceptance of refugees organized by the non-parliamentary Nationalist Union (NU) attracted around 100 participants in October. In the 2015 municipal elections, NU received only 0.24 percent of votes nationwide.

### Independent Media

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In July 2015, the parliament repealed the article criminalizing insult in the Lithuanian Penal Code. However, there still remains an article criminalizing libel, under which journalists and other citizens may be punished by fines or imprisoned for up to two years. Although penalties for publications
are applied only in exceptional cases (the last in November 2014), the libel article still contributes to self-censorship among journalists.

- In Lithuania’s concentrated television sphere, the media groups Laisvas ir nepriklausomas kanalas (channels LNK, BTV, TV1, Info TV) and the Modern Time Group (channels TV3, TV6, TV8) held 42.8 and 44 percent of the advertising market, respectively, in the first quarter of 2015. There are still no legal restrictions on ownership concentration of media organizations or cross-ownership of other business interests by media owners. Powerful media organizations are directly related to companies from other areas of the economy. For example, MG Baltic controls the media groups Laisvas ir nepriklausomas kanalas, Alfa Media (website Alfa.lt), and UPG Baltic (publisher of more than 30 magazines), but also other companies engaged in telecommunications, construction, logistics, real estate development, trade, manufacturing of alcoholic beverages, and more.

- Concerns remain over biased political content at the local level, where a significant part of the media is financially dependent on politicians, and it is quite common for shareholders in local media to be politicians. A telling case is the municipality of Kėdainiai, where two newspapers (Rinkos aikštė and Kėdainių garsas) and a television channel (Kėdainių krašto televizija) are controlled by companies owned by relatives of DP members. Two DP members DP in the Seimas, together with a relative of another DP member, are owners of the company Interneto žinios, which administers 54 websites that disseminate public information in Lithuanian municipalities. A lurking problem in local media is when outlets receive potentially nontransparent financing from municipal governments, but it is difficult to measure the extent of the problem with any reliability.

- Economic pressure on journalists is still considerable. The average gross monthly salary of journalists was 14 percent less than the national average gross monthly salary in 2014. Moreover, it is a widespread practice for journalists not to receive labor contracts but, rather, to be forced to work as freelancers. Only one-sixth of Lithuanian journalists are members of professional associations.

- The overall economic situation and decreased incomes of media organizations have negatively influenced the financial sustainability of media outlets since 2009. Advertising revenue for television, radio, print, and internet outlets was 38.4 percent lower in 2014 than in 2008. To ensure a higher degree of economic stability for the public broadcaster, funding of the National Radio and Television of Lithuania (LRT) has been linked to revenues of the state and municipal budgets (with a percentage from income tax and excise revenues) starting in 2015. However, the commercial television and radio advertising markets increased only by 7 and 2.5 percent, respectively, during the first seven months of the year.

- During the year, the Radio and Television Commission of Lithuania (RTCL) temporarily suspended for three months the rebroadcasting of two Russian channels: parts of Ren TV Baltic (Lietuva) in January, and the whole program of RTR Planeta in April. These measures were based on expert evaluations that the channels’ programs incited hatred and instigated war. In June, the European Commission decided that the measures taken against RTR Planeta were compatible with EU law, and it was sufficiently demonstrated that its program incited hatred. In December, the RTCL required rebroadcasters under Lithuanian jurisdiction to move RTR Planeta into television program packages requiring additional payment. The restriction will be valid for 12 months.

- These moves raised questions about the trade-off between media freedom and the need to address the issue of foreign propaganda. The rebroadcasting restrictions, however, did not significantly reduce the variety of independent media. The measures taken in 2015 were temporary, and due to their dependence on the Russian government, these channels by definition do not fall under the category of fully independent media. Finally, the decision to move RTR Planeta to paid packages does not eliminate the right of viewers to choose this channel, as Lithuanian rebroadcasters provide special packages with Russian channels. For example, Cgates, one of the leading companies in the rebroadcasting market, offers a package of nine Russian channels (including RTR Planeta) for 1.5 euros a month.
Local Democratic Governance

- Local governments in Lithuania have long been regarded as institutions undermined by “politicking, graft, bribery, and mismanagement,” and have struggled to win public confidence. This year could signify a turning point in this trend. Surveys showed that trust in municipalities hit its highest numbers in a decade in 2015, reaching 35.2 percent in October, higher than the government (29.8) and the parliament (10.5). These developments may be attributable to the direct election of mayors for the first time in 2015 after the law was changed in 2014.

- The direct election of mayors improves the quality of local democracy in three main ways: increasing the accountability of mayors, stabilizing their term in office (previously dependent on unstable local coalitions), and encouraging higher public participation in the local democratic process. A survey commissioned by the Ministry of Justice showed that around 76 percent of the population supported the introduction of direct elections. In a third of municipalities, mayors were elected with an absolute majority of votes in the first round held on March 1. One indication of popular support for the elections was that only 2.71 percent of mayoral ballots were spoiled, compared to 4.87 percent in the municipal council elections.

- The mayoral polls revealed public dissatisfaction with political parties, especially in cities. Out of seven city municipalities, party candidates in only three (Vilnius, Klaipėda, and Palanga) managed to win the mayoral election. This could be the necessary impetus for local party organizations to become more accountable. However, the personalization of politics, which was apparent in the second round of mayoral elections, especially in the capital city, Vilnius, could prove detrimental to the weakly institutionalized Lithuanian party system.

- Despite the mayoral election reform, Lithuania remains highly centralized with a limited range of functions delegated to municipalities. Local governments are also financially dependent on the central government, with the portion of national income tax revenue allocated to local governments increasing slowly each year: 67.8 percent in 2014, 72.8 percent in 2015, and 75.49 percent planned for 2016. Moreover, the Constitutional Court ruled in June that limiting the amount of resident income tax allocated to Vilnius (which collects more income tax than it receives) is in conflict with the constitution. This could prove an important precedent for the financial independence of local governments and lead to a new methodology for how income tax is allocated across municipalities. According to the Ministry of Finance, beginning in 2016, allocations will depend on two criteria: overall income tax collected in each municipal territory and the average per capita income tax at the national level. Donor cities like Vilnius will receive additional funds in compensation. This could also have some negative implications: as the list of donor municipalities expands, structural reforms of some municipalities that are performing poorly could be further delayed.

Judicial Framework and Independence

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The prosecutor general’s office remained subject to political bickering between the parliament and president in 2015. After two failed nominations (see “National Democratic Governance”), discussions were started in the Seimas on amendments to the constitution that would take nominating powers away from the president and give them to the government. Amendments to the statute of the parliament in 2013 gave it power to unilaterally dismiss the prosecutor general, and exercising this right to dismiss the previous prosecutor general led to the current crisis. In the end, the president’s third nomination was successful: in December, the Seimas approved Prosecutor General Evaldas Pašilis for a five-year term.

While the Lithuanian public has traditionally perceived the judiciary as insular and opaque, opinion research sources reported that in 2015, for the first time in two decades, the number of people who trust the court system (25.5 percent) was higher than those who do not (25.1 percent). Although the difference is still not statistically significant, the numbers signify an improvement; only 18 to 21 percent trusted the courts in. The ratio of trust (28 percent) to distrust (20 percent) was positive in the case of the prosecutor general. Trust in the police rose above 60 percent for the first time in 25 years.

In October, the European Court of Human Rights (ECHR) ruled that former KGB officer Vytautas Vasilijauskas had been convicted “based upon legal provisions that had not been in force in 1953.” In June 2010, Kaunas District Court found Vasilijauskas guilty of genocide for the killing of Lithuanian partisans and sentenced him to four years in prison, although he is not serving the sentence due to illness and old age. The ECHR held that the killing of Lithuanian partisans by the Soviet Union did not constitute an act of genocide under international law at the time of Vasilijauskas’s actions, because the international definition of genocide did not include “political groups.” The ruling could be damaging to the image and authority of the ECHR in Lithuania. Currently, there are 15 people in Lithuania sentenced under the same law.

The Lithuanian prison system remains overcrowded and conforms poorly to international standards. There has been a modest decrease in prisoners since 2012: 8,636 persons were incarcerated in 2014, down from 9,577 in 2013, but that level still amounts to 92 percent of Lithuania’s prison capacity. The Ministry of Justice also claims that the number of recidivists is decreasing each year. However, these positive developments are still modest at best. There are 315 inmates per 100,000 Lithuanians, leaving only Russia (467) and Belarus (335) with higher numbers per capita in Europe.

### Corruption

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Despite positive trends in Lithuania over the last several years, corruption remains a major concern: nearly half of the population (48 percent) mentions it among the country’s most pressing issues. Although the number of high-profile scandals was not as numerous as in the previous year, corruption still played a prominent role in Lithuania’s politics in 2015. In October, the Special Intelligence Service (SIS) launched an investigation into the activities of the Druskininkai municipality-owned health center “Aqua,” which allegedly relied on local government support in committing accounting fraud. Former SIS head Žimantas Pacevičius (currently heading the secretariat of the speaker of the parliament) was mentioned among persons who received free services in the center. Connections were made to the interests of long-standing Druskininkai mayor and influential member of LSDP Ričardas Malinauskas: his ex-wife and daughter are employed in
The same center, and he met with Pacevičius several days after the announcement of the SIS investigation.\(^{63}\)

- It is notable that in a 2015 study by Transparency International–Lithuania on the transparency of the country’s 40 largest municipality-managed companies, Aqua was given the worst evaluation.\(^{64}\)

This case underscores the presence of corruption at the local government level, yet it is an even deeper problem in municipalities that lack political competitiveness and are prone to party capture. Druskininkai has been ruled by Malinauskas and dominated by LSDP since 2000, and the incident could be a serious test for LSDP transparency and ratings. When opposition members of the Anticorruption Commission in the Seimas tried to initiate an investigation of the Aqua case at the parliamentary level, LSDP representatives voted against it and the question was removed from the commission agenda in October.\(^{65}\) In November, the parliament voted to open a parliamentary inquiry, but it will also cover other issues, such as LSDP allegations concerning the relatives of several HU-LCD leaders.\(^{66}\)

- Transparency of procurement at the national and local levels remains an important issue. In September, media reported that the prime minister’s son-in-law is a major shareholder in a public relations company, Ministerium, which had successfully participated in public tenders, including those run by ministries under LSDP control. Although definitive proof of corruption was not provided, this report again cast a shadow on the level of transparency in Lithuanian government.\(^{67}\)

Soon after the articles appeared, the prime minister’s son-in-law sold his shares in the company.\(^{68}\)

- Positive developments continued in 2015 in the area of anticorruption initiatives and laws. In March, the parliament adopted a new national anticorruption program for 2015–25. The strategic aim of the program is to reduce the extent of corruption and to increase transparency and openness in the public and private sectors. The most important objectives include improving Lithuania’s position in Transparency International’s Corruption Perceptions Index by 2025 to no less than 70 points (the country received a score of 61 points in 2015\(^{69}\)), reducing the share of the population that agrees a bribe helps to solve problems to no more than 33 percent (55 percent in 2014), and reducing the share of the population that admits to giving a bribe during the past five years to no more than 10 percent (31 percent in 2014).\(^{70}\)

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