

Foreword

Because of its geographical location at the intersection of historical interests, the country of Latvia has undergone a complex period of development. Internationally recognised in 1918, Latvia flourished socially and economically until 1940, was subsequently occupied by the former USSR and reborn on 4 May 1990.

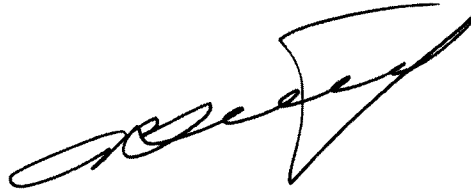
Each of these periods had its own mien and consequences. The economic but especially human consequences of the last periods before the restoration of independence are particularly evident. With the aim of integrating into the community of democratic states and overcoming the legacy of the past, Latvia is now undergoing the transition from a centrally planned economy to a free market economy and a democratic society.

In the spheres of politics, economics, and social life, this process has been attended by many difficulties and unforeseen problems. These problems – the brunt of the transition – rest on the people of Latvia, and the end result of the process of transformation is dependent on them. Latvia is not rich in natural resources; its primary resources are its people, with their joy, pain, problems and achievements.

From this perspective, the first Human Development Report for Latvia is extraordinarily significant for both foreign and domestic politics.

In the realm of foreign affairs, it demonstrates the path we have gone over the last five years; in the realm of domestic politics, it lays out the democratic orientation of the public in overcoming difficulties, highlighting various problems that need to be addressed and the government's strategy for ensuring social stability. This stability is not a goal in itself. It is the guarantee of the country's development and is possible only with the active participation of all of society in the process of transformation.

Representatives of various ethnicities and viewpoints participated in the formation of the report, and I would like to acknowledge all the authors and organisers for this interesting and useful work. In particular, I would like to express my thanks to John Hendra, United Nations Development Programme (UNDP) Resident Representative, for his personal contribution not only in organising, commenting on, facilitating, and financing the preparation of this report, but also for his active participation in carrying out a host of activities in Latvia.



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