

Joining the EU has reduced our sovereignty by Normunds Grostins, Latvian Institute of Future Studies,

Latvia joined Eurozone on January 1st this year, Estonia on January 1st 2011. Both Estonia and Latvia joined Eurozone without referendum. All serious public opinion polls were showing that a large majority of Latvia's population was against joining Eurozone. At the start support for euro was at 2-4 % and at end 30 %, with 70% of the population against joining). That was not only economic issue, but feeling deeply rooted in our history of 20 century.

The Baltic states Estonia, Latvia, Lithuania emerged on the map of Europe as result of collapse of Russian Empire after socialist revolution of 1917. All three independent states immediately introduced their own currencies. After incorporation in Soviet Union, in 1940 national currencies were replaced by Soviet rouble. So we became members of rouble zone. After the collapse of Soviet Union in 1991 all three Baltic States immediately re-introduced the same national currencies. It was not only economic, but a deeply emotional, patriotic step as well.

In our experience, national currencies always were coming together with independence and also disappearing together with independence. The visual difference between euro and soviet ruble is, that soviet roubles had its description written on bills in all languages of Soviet Union, including Latvian, Lithuanian and Estonian language (having 300 million population in USSR, 1 million in Estonia, 2 million in Latvia, 3 million in Lithuania had their language on all Union money bills). The paper size of euro is bigger than that of

rouble, but we don't find on euro bill its description in Baltic languages. Well, this is the emotional and historical part of joining Eurozone.

Economic part: European Stability Mechanism means contributions of 2 billion euro for Estonia and 3 billion euro for Latvia. Latvian authorities turned down four referendum initiatives during last year. The EU in Latvia is decrease in democracy – before joining we had rights to have referendums on EU matters . Now such referendums can be initiated only by national Parliament – which means in fact: only by the governing coalition. Which means – never.

As EU is becoming more and more centralised, we in the Baltics have strange feeling of deja-vu: **we have seen a lot of today's EU reality (and future) in another centralised union – the Soviet Union.**