

LIVANI

Livani is a small town of 11,000 inhabitants in the Southeastern part of Latvia, 170 km east of the capital city, Riga. It is situated in very nice natural surroundings where the Dubna river flows into the Daugava, the largest river in Latvia. Livani and its surrounding rural areas are part of the historical district of Latgale and was part of the ancient Latvian state of Jersika in the 11th century. A motorway and the railway go through the town connecting Riga with Daugavpils, the largest city in Eastern Latvia, and both are used for transit traffic to Lithuania, Belarus and further to Russia.



Figure 2.1 River Daugava. (Photo: Per G. Berg.)

Geology

Livani is approximately 100-150 m above sea level. The relief is formed from limnoglacial, fluvioglacial and moraine plains.

Geologically the area is located on the East European platform formed approximately 3.5 billion years ago. An on the average 700 m thick silt layer that appeared in the Devonian period (400 million years old) covers this platform. It consists of dolomite, dolomite marl, and sandstone. These sediments are visible in quarries and in some places on the banks of the Dubna and the Daugava rivers. The prevalent sediments that can be seen are quaternary deposits, 1 million years old, especially aqueous rocks formed during the ice age reaching 100 m in thickness. It consists mainly of

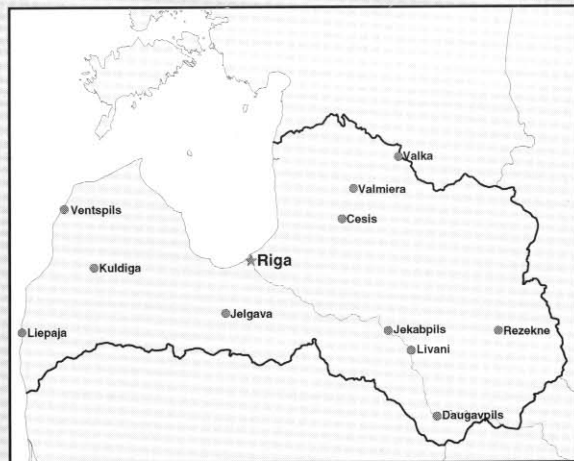


Figure 2.2 Map of Latvia with the town of Livani in the Southeast.

fulvous maroon moraine clay covered with debris precipitated by melting glacial water - gravel and pebbles, as well as with the sedimentary material of standing water - fine clay and sand. The area is surrounded by marshes which are known to be formations of the post-glacial age, 10,000 years ago.

In contrast to the western part of Latvia, the climate here is more continental, although the influence of the sea is palpable.

Climate

The average air temperature is -7° in the winter (maximum -36°) and +19° during the summer (maximum +34°). Westerly winds predominate, and the location of the area on the western slope of the Latgale elevation ensures 780 mm precipitation a year.

Nature

The main rivers in the area are the Daugava, the Dubna, the Feimanka, and the Osa. More than 50% of the territory is covered with forests (mainly pine, birch, fir, black alder, and aspen) and meadows.

Mineral resources include dolomite (Livani deposit - 8.3 million tons) and stoneless clay (Livani deposit 6.9 million tons). There are organic resources in the form of marshes.

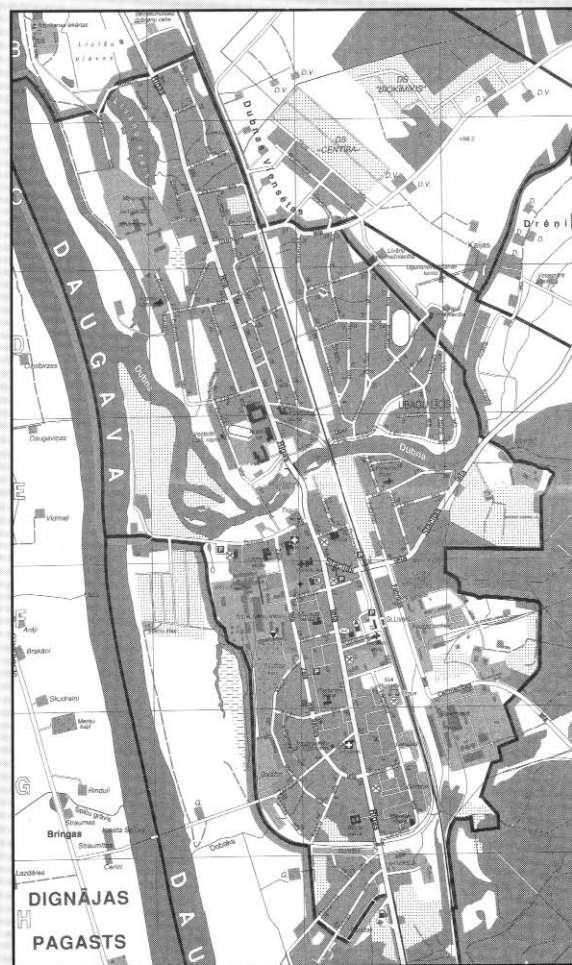


Figure 2.3 City of Livani, with the rivers Daugava and Dubna.

2. Livani – the inhabitants as a resource for development

Visvaldis Gercans and Arnold Ubelis

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2.1 THE INHABITANTS OF LIVANI

2.1.1 History – from the Middle Ages to today

Livani as a settlement was first mentioned in the year 1289. The origin of the present Livani goes back to the year 1533, when the landlord Liven built an estate there and named it Livenhoff, after his family name. Historically, Livani developed as a small industrial centre, which kept its contacts with rural areas and local natural resources.

Official town status was conferred in 1926. The town has experienced many upturns and downturns in the economy and society during the last century. At the beginning of the 20th century, Livani had industries that were well developed and a population of 12,000. After World War I the population was 2,000 and grew to 6,000 before World War II which once again devastated the town.

Factories for glass, brick and peat production, house construction, and biochemical production for agriculture were built in the town. It is interesting to note that Livani currently has a functional and developing small high-tech company making optical fibres for medical purposes which developed as a specific branch from household glass production. In spite of the difficulties during the period of transition, people in Livani have radically improved access to global information as well as modern communication and information services. Mobile phone GSM systems and pager networks function in Livani, and analogue phone connections are available. There is a local television station watched by 50,000 people and a local newspaper is published in the town.

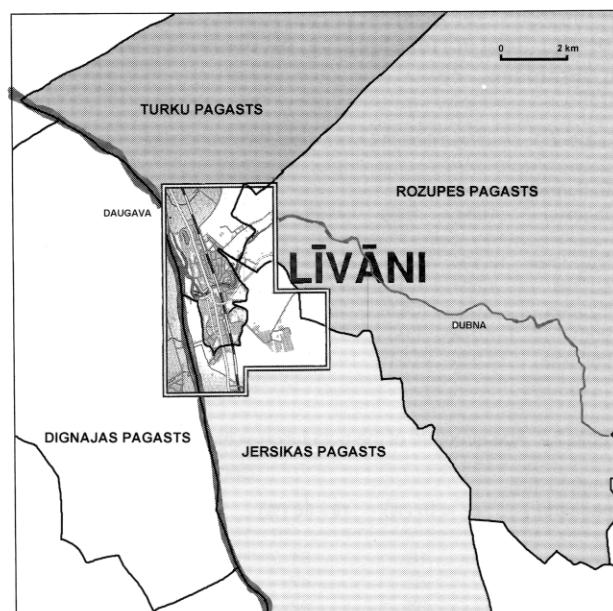


Figure 2.4 Livani municipality and its neighbouring pagasts (rural communities) Turki and Rožupe created a new municipality, Town of Livani, by amalgamation in 1999. Its territory is defined and visualized in the map as the grey fields. Statistics of these three areas including Jersikas municipality, which is a cooperating partner, is presented in chapter 2 - 4.

Today, Livani has a functional sewage treatment plant, developed district heating, and a centralised drinking and technical water supply.

2. LIVANI - THE INHABITANTS AS A RESOURCE FOR DEVELOPMENT

2.1.2 The inhabitants

Historically, the inhabitants have a long cultural and applied arts tradition and good awareness with regard to their historical cultural background. In the current period of transition to a market economy and structural changes, the inhabitants of the town face problems of unemployment (up to 28%) and social discomfort.

Children are 19% of the population, retired people 20% and 61% are of working age. Of the total population, 55% are Latvians, 37% Russians, and 8% have other origins.

The town is 5 km² with a population density of 2,200 people per km². The following religions have practising congregations in Livani: Lutheran, Roman Catholic, Baptist, Orthodox, and Old Believers.

In general, the demographic situation is dramatic, with an ageing population and a drastic decrease in the birth rate. The situation is worse in the rural areas. The first signs of improvement in the demographic situation in the town of Livani are now appearing after a decline for the last 8 years. In 1999, the birth rate increased by 10%. A total number of 80 children were born - 42 boys and 38 girls, 9 of them born to families with two children. The death rate decreased in 1999 by 23%. The total number of death was 112. 19 died of cancer, 4 by suicide, 2 were murdered, 3 from alcohol abuse.

The average education level of the population is low in comparison with Western standards and is below the average level in Latvia. This is due to the brain drain to larger cities and especially the capital city, Riga.

As is evident from the statistical information, all the municipalities in the Livani area face very serious problems concerning age structure and educational level of the inhabitants. These problems are clearly a challenge for the long-term planning of the local and central governments.

Table 2.1 Municipalities in Livani, population and area.

Municipality (pagasts)	1988	1993	1998	1999	Area (km ²)	Deputies
Livani town	12,194	11,614	10,869	10,672	5	11
Jersikas	1,021	1,056	1,036	1,038	117	7
Rozupes	1,632	1,616	1,523	1,463	182	7
Turku	1,078	1,063	1,054	1,010	120	7
Total pop.	15,925	15,349	14,482	14,183	424	30

Table 2.2 Age structure of the population in the municipalities, 1998.

Municipality (pagasts)	< 16 (%)	16 - 60 (%)	> 60 (%)	Total No.
Jersikas	18	51	31	998
Rozupes	22	47	31	1,532
Turku	23	47	30	1,051
Livani town	19	60	21	10,802

Table 2.3 Working situation in Livani 1994 and 1999.

Municipality (pagasts)	Population 1994	Population 1999	Working pop. 1994	Working pop. 1999	Unemployed (%) 1994	Unemployed (%) 1999
Jersikas	1,053	1,038	493	na	30.8	27.0
Rozupes	1,605	1,463	769	na	34.3	31.2
Turku	1,065	1,010	473	na	39.9	27.9
Livani	11,276	10,672	6,482	na	30.1	28.5

2.1.3 Education

In general, one could say that the situation with regard to complementary and secondary education is quite good. Nevertheless, problems increased when Latvia cancelled the obligatory secondary education which had existed in the country since 1959. This resulted in a decrease in the



Figure 2.5 Latvia has an extraordinary tradition of folk dance, folk music and folk costumes. A dance and music group from Livani and surroundings performs. (Photo: Per G. Berg)

Table 2.4 Schools, libraries and cultural centres (number of buildings in parenthesis), 1996/97.

Municipality (pagasts)	Schools Pupils (no.)	Libraries Readers (no.)	Cultural centres Participants (no.)
Jersikas	75 (1)	417 (2)	90 (1)
Rozupes	145 (1)	316 (2)	87 (1)
Turku	111 (1)	175 (2)	72 (1)
Livani town	1,825 (2)	4,405 (2)	137 (1)

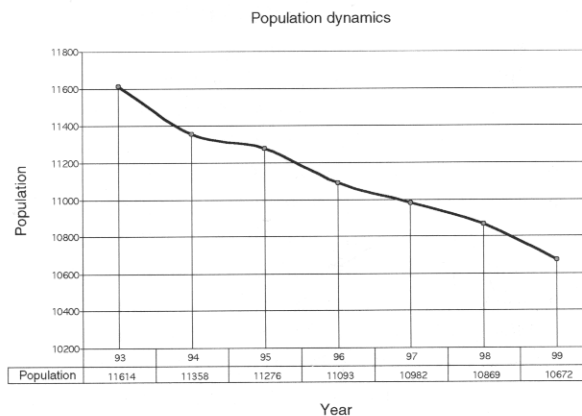


Figure 2.6 The population decline in Livani town during the 1990s.

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number of pupils in secondary schools, an increase in the rate of youth unemployment, and created additional problems for the municipalities. On average, there is a good success rate for the entrance of graduates to the post-secondary educational institutions, table 2.7.

It is very important to know that practically all graduates from secondary schools are going on to further education and afterwards many of them are motivated to return to their home municipality.

Another indicator of the application of human capacity is the employment rate as seen in table 2.3. Indicators are rather bad, but on the average, the situation is not so disastrous with regard to the food supply, because people in the towns and villages have very strong links with rural areas and produce food for themselves. Unfortunately, in general, people are losing their skills in the basic professions. When the economy begins to recover, retraining efforts will be essential and some assistance from the municipality should be planned in advance.



Figure 2.6 Latvian student building sustainable cities at an international Baltic University student conference. (Photo: Lars Rydén)

Table 2.5 Education of the population in the municipalities in 1998. (Source: Latvia, national development survey, UNDP, Riga, 1999.) (*see Table 2.7)

Municipality (pagasts)	Primary school	Vocational school	Secondary school	Higher education
Jersikas	59.4	8.4	20.4	5.6
Rozupes	46.9	10.8	17.1	3.1
Turku	50.6	13.2	10.1	3.5
Livani town	22.1	32.6	22.1	9.8
Livani town*	20.9	33.2	23.3	13.6

Table 2.6 Educational institutions and number of pupils. (*see Table 2.7)

Institution	Number of teachers		Number of pupils Latvian language	
Year	94/95	97/98	94/95	97/98
Livini 1st sec. school, gymnasium	68	79	968	1046
Livini 2nd secondary school	70	63	878*	736*
Jersikas p-sk.	14	12	72	75
Rozupes p-sk.	18	20	151	145
Turku p-sk.	16	18	102	111
"Rukisi" nursery school		21		172
Music school		20		164
Art school		7		70
Sport school		7		275

2.2 LOCAL GOVERNMENT AND INSTITUTIONS

2.2.1 Democratic development

A local self-government needs to strengthen institutional capacity and develop new tools and methods with which to mobilise the intellectual capacity of the population. Having sufficient education to start new activities, the inhabitants will have many new opportunities to develop democracy. The new visions of a possible development of the town should be discussed with broad public participation in order to increase creativity, self-awareness as well as self-reliance of the people in the town.

The municipality of Livani gained impressive publicity on the national level during 1999-2000.

On the one hand, it is defined as a problem area with a high level of unemployment. However, there are serious project activities for planning a cellulose factory and attracting large-scale investments.

Livani municipality initiated a voluntary amalgamation with two neighbouring rural communities – Turki and Rozupe "pagasti" (rural communities)

Table 2.7 Further education for graduates from secondary schools
*) Statistics only for the 1st secondary school. Only in the last column for the year 1999 are there statistics for both the 1st and 2nd secondary schools (Latvian and Russian teaching languages)

Educational institution	Year				
	1995	1996	1997	1998	1999*
University of Latvia	18	7	6	7	13/6
AML		1	1		
Riga Technical University	3	1	6	4	6/2
Riga Aviation University		1	1		-/1
Stockholm Economic School		1			
Latvian Bank Higher School				1	2/-
Academy of Police	3	6	6	4	3/2
Rezekne Higher School	4		1		2/2
LSPA	1		1	1	1/-
Riga Business College					2/-
Latv. Agriculture University		1	2	1	5/-
Higher School for Tourism	1			1	-/3
Tourism School	1	3	2	2	2/1
Daugavpils Pedagogical Univ.	15	10	4	5	5/2
Latvian Military Academy					2/-
Pedagogy Management		1		2	1/1
Jekabpils school of commerce	1	3	2	10	1/6
Rezekne Border Guard School					2/-
Riga 34 Vocational School			1		1/-
19. Vocational School		4		1	1
Baltic Russian Institute				1	-/2
Bulduri Gardening Vocational				2	
International Psychology Inst.				1	
Riga Cultural School	1		1	3	
Riga Handcrafts School				2	
Riga Humanitarian School				1	
Riga Building College		1	1	2	-/2
Business School "Turība"		1		4	
"Medical School"		2	1	1	-/2
Daugavpils Railway Vocational			2		-/2
Riga Sea Academy			1		
Accidental Courses		1	2		
Ergli Agriculture School		1			
Latgale Handcrafts School		1			
Managers School		1			
Employed		1	1		2/1
Unemployed					-/3
Viesīte Vocational school					-/1
Riga Specialised school					-/2
Total	49	49	42	56	53/46

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creating a new municipality in the Livani area. The town of Livani, with its rural territory, was defined by a joint decision of three councils approved by the Council of Ministers on December 21, 1999. It was an advanced, democratically taken decision in the process of municipality reform currently taking place in Latvia. A third neighbouring rural community, Jersikas seems to be willing to cooperate in the future and thus we have selected information on all the municipalities in this report.

The elected President of Latvia, Dr. Vaira Freiberga, visited Livani on January 11, 2000.

2.2.2 Democratic representation

Young, well-educated, and active people pursue local self-government, but they have insufficient institutional capacity due to the weak traditional, local political structures and network of public organisation.

New municipal elections were held in the Livani area on March, 2001 and a new political and administrative structure will be designed after the election as a result of the amalgamation of the urban and rural territories under one self-government structure. The council of deputies is going to consist of only 11 representatives, which is not an improvement because there will be weaker representation of the rural population and a decrease in public participation in the decision making process. It should be mentioned that political activities in the political party system are very weak in the area and real participation in decision making is through elected deputies.

2.2.3 Institutions

The list of central government institutions in Livani (see box) shows that along with the municipal administration, the central government supports many of its institutions in Livani which should serve the people.

There are ongoing discussions about duplication of functions as well as about the implementation of the subsidiary principle in state governance, especially as concerns environmental protection, social protection and budgeting.

Central government institutions in Livani

Ministry of the Environment and Regional Development
keep all responsibility for Environmental issues

- Chief inspector for Livani of Daugavpils
- Regional Environment Agency

Ministry of Transport

- Representative of State Enterprise "Latvija Ceļi"
- Supervisor of the Cadaster department in the Town of Livani, Preiļi branch of Latgale Regional

Ministry of Internal Affairs

- Livani post of the State Fire Fighting Service
- Citizenship and Immigration Service
- Livani police station of Preiļi regional police department

Offices of the Ministry of Finance

- Livani Customs of Preiļi regional department
- State Income service

Offices of Ministry of defence

- Landguards – detachment of Preiļi battalion
- Livani branch of the 4th Latgale Military Service Department

2.2.4 Economic resources

Financial and energy resources are basic for economic viability. Budget income is a big problem in Livani. The central government provides monetary resources, which results in a reduction of the independence of the local governments and decreases their sense of responsibility and motivation to implement action for effective development. Table 2.8 and 2.9 illustrates that the largest flow of financial resources in the Livani area comes from the state budgets, second is municipal.

As can be seen from the expenditure part of the budget, the largest sums are spent on education and a relatively large part for administration (especially for the municipalities in rural territories). It is surprising that very little money is spent on health and practically zero on environmental protection which is supposed to be the responsibility of the central government. This is not the case in the municipalities in Nordic countries.

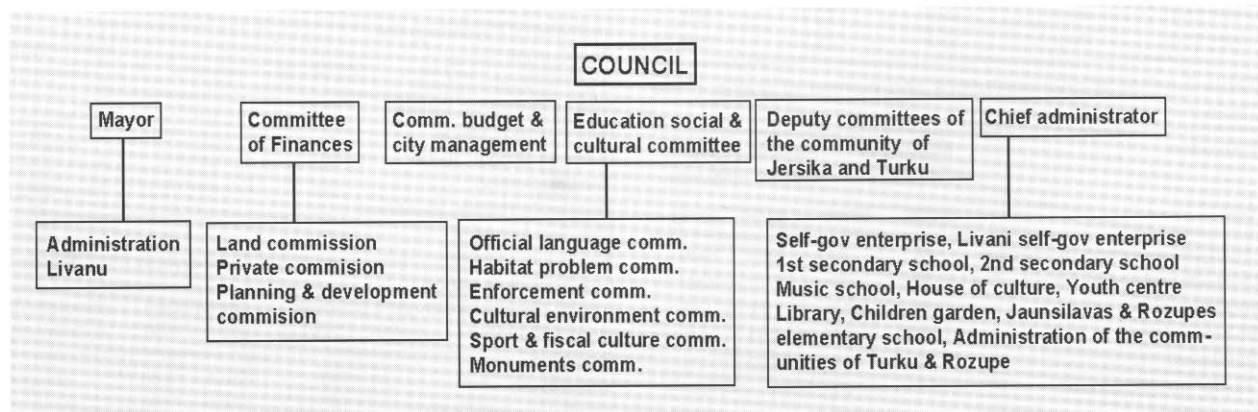


Figure 2.7 Political, administrative and functional bodies in Livani town.

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Table 2.8 Budget of the local government. Income, (Latvian lats). One Lat is about 1.6 USD or Euro.

Municipality	Livani			Jersikas pagasts		Rozupes pagasts		Turku pagasts	
Year	1995	1996	1999	1995	1996	1995	1996	1995	1996
Inhabitants	11274	11086	10672	1083	1041	1650	1577	1096	1077
Incomes (Lats)									
Local taxes	289,464	349,334	312,568	24,109	31,089	27,187	28,289	15,486	19,216
Transfers from Central gov.	224,614	208,163	463,492	21,854	28,489	40,658	53,670	30,983	37,611
Other income (charges)	-	9,115	136,547	-	5,943	-	1,797	-	2,990
Total	514,074	577,594	912,707	45,961	65,821	67,845	83,756	46,469	60,840
Income per capita	45.6	52.1	85.5	42.4	63.2	41.1	53.1	42.4	56.5
Percent of total (%)									
Local taxes	56	61	34	53	47	40	34	33	32
Transfers from Central gov	44	36	51	47	44	60	64	67	62
Other income (charges)	-	2	16	-	9	-	2	-	5
Total	100	99	101	100	100	100	100	100	99

Table 2.9 Budget of the local government. Expenditures, (Latvian lats). One Lat is about 1.6 USD or Euro.

Municipality	Livani			Jersikas pagasts		Rozupes pagasts		Turku pagasts	
Year	1995	1996	1999	1995	1996	1995	1996	1995	1996
Inhabitants	11274	11086	10672	1083	1041	1650	1577	1096	1077
Expenditures (Lats)									
Social security	88,001	105,113	67,435	6,813	13,420	4,273	11,810	4,402	8,086
Healthcare	-	-	-	346	697	-	82	150	48
Education	199,885	234,370	364,039	9,015	17,565	19,722	-	17,751	23,338
Culture	56,064	52,098	44,791	7,797	9,363	2,994	8,390	2,974	7,682
Administration	66,908	76,169	159,545	18,824	22,324	12,083	19,721	14,745	17,779
Total	482,483	566,452	912,332	44,096	63,610	56,586	76,358	40,711	59,967
Total per capita	42.8	51.1	-	40.7	61.1	34.4	48.5	37.1	55.7
Percent of total (%)									
Social security	18	19	7	15	21	10	15	11	14
Healthcare	-	-	-	1	1	-	-	-	-
Education	41	42	40	20	28	44	-	43	39
Culture	12	9	5	16	15	7	11	7	13
Administration	14	13	17	42	35	27	26	36	30
Others	-	-	-	-	-	-	-	-	-
total	85	83	79	94	100	88	52	97	96

2.3 THE SOCIAL SITUATION

2.3.1 Social security and health care

The ability of the community to provide a well-established system of social security is the next factor which defines the capacity of human resources. In general, Livani municipality faces serious social problems in addition to unemployment. Despite a difficult economic situation and the availability of modest resources, municipality authorities succeeded in establishing a functioning social security system, which manages the more acute problems in combination with contribution from society.

The municipal government does not have direct responsibility for social problems. These are the responsibility of the Welfare Ministry of the central government and most of the financial support comes from the central government. Despite this, the local government is faced with the bottleneck shortages of a centrally planned social security system and is obliged to spend efforts and financial resources from a scarce local budget to manage the actual problems of social needs. Municipalities can afford very small amounts of social assistance and security grants for suffering families and individuals.

The network of social security for the population in the Town of Livani includes the social security activities

initiated by the Livani municipality as well as those offered by social organisations. There is no service for public assistance at the Livani municipality but social security activities are organised and carried out by two full-time social security officers. These officers are educated at the post-secondary level and are certified social workers.

A commission on social problems is working at the Livani municipality. There are no municipal institutions in the Livani rural area performing public assistance functions.

2.3.2 Public assistance and security grants in Livani

In rendering public assistance, an assessment of the welfare status of families is carried out in the town according to the Law "On public assistance", Part 1, Paragraph 7 which also applies to assistance at home. Public assistance for residents from another community (pagasts, the region, towns) is financed from the regional budget. To finance the public assistance activities in 1998, Ls 11,504 from the municipal social security budget were spent on public assistance and Ls 3,207 for assistance at home.

The main social security activities of the Livani municipality are the arrangement and rendering of public assistance and assistance at home.

2. LIVANI - THE INHABITANTS AS A RESOURCE FOR DEVELOPMENT



Figure 2.8 The youngsters are the hope for a future prosperous development in Livani. (Photo: Lars Rydén)

Ls 11,504 were spent for public assistance to poor families and Ls 3,207 on allowances for care. Most of the money from the municipal social budget is spent on contributions to residential rentals, free lunches at public and nursery schools, purchases of household fuel, funeral expenses, allowances for disabled people in the 1st and 2nd categories and people repressed during the Soviet period, as well as to purchase medical and dental services, including prosthetics. The Livani municipality has also offered grants for raising and educating children.

Home care is offered in the town of Livani. In the municipality; 71 people of legal age and 23 disabled people received care offered by 71 volunteers.

2.3.3 The social situation in Livani

During 1998, an application to increase welfare benefits was sent in by 2,170 families with a petition for public assistance. A total of 240 families asked to be classified as a poor family. Social service allowances were claimed by and provided for:

- 190 two-parent families with three or more children;
- 381 single-parent families, including families with many children;
- 56 single-parent families with many children;
- 421 families which included a disabled adult;
- 62 families with disabled children;
- 732 people of legal age living apart from their breadwinners (living alone), including people supporting underage children;
- 261 people of legal age without a breadwinner who, according to the Civil Law, support underage children.

Table 2.10 Municipal public assistance in Livani, 1998, in Latvian Ls.

Municipal assistance through cash benefits and in-kind transfer. People a year who received allowances.	Expenditure (Ls)	No. of persons
Total amount of assistance provided by the LR Law "On public assistance"	11,504	1,318
allowances for poor families	11,504	1,318
allowances for care of the elderly	3,207	72
funeral expenses	1,190	63
Total amount of other kinds of municipal public assistance	7,107	539
total of rental allowances free of charge or at partial charge	4,764	320
free lunches at public or nursery schools	4,764	320
purchase of medication	648	92
grants for raising and educating children	90	3
Allowances for disabled people of the 1st and 2nd categories and those repressed during the Soviet period	1604	229

In 1998 there were 462 disabled adults in Livani and 62 disabled children. The number of children in families unable to provide sufficiently for them in Livani was 631 children in two-parent families with three or more children, and 535 children with only one parent, including 203 children in families with many children and 14 children supported by people of legal age.

The function of the protection of children's rights in Livani are carried out by the Orphans' Court of the town of Livani which started its work on January 15, 1997. It consists of five officials: the chief justice, the clerk of the court, and three staff. Every Tuesday, the proceedings of the Orphans' Court take place. Visiting hours are scheduled for visitors. The Orphans' Court inspects families and co-operates with social service specialists, public schools, nursery schools, the police, and medical institutions.

Health care has a long tradition in the area with a hospital founded just after World War I, and the situation is modestly managed by the health personnel; 24 doctors, 29 nurses, 2 dentists and 61 staff members with vocational training.

Structured statistics of cases of illness and death for the 14,183 inhabitants in the Livani area (1999) provided information of 40 reported deaths on 2,183 treated patients. Types of illnesses that caused a high rate of death were disorder of blood circulation system (17/513), injuries, intoxication and other consequences of external action (5/232), and cancer (7/43).