

Abstract

Focusing on the post-communist developments in Estonia, Latvia and Lithuania, the research prevails **why the transition was successful in the Baltic States?**

Analyzing “the Baltic way” to the European Union, the paper discusses the certain aspects of economic, political and social transition. Cultural trauma of social change will also be concerned. Conceptual part of the work focuses on the theory of modernization which is discussed in the civilizational context. It is assumed that modernization is rather multi-dimensional than universal, homogeneous process. The Baltic modernization shows the patterns of original western European type of modernization with clearly defined end-up goal: political and cultural “return to the West”.

Empirical part of the research focuses on the economic, political and social transformation processes in the Baltic States.

The main discussions on **Economic transition** heated around the question: how to build capitalism? What was possible and desirable? What policy should have been chosen?

Baltic States went through the radical economic reform called “shock therapy”. The essence of “this program is discussed in contradiction with “gradualism”” – an alternative strategy of economic transition.

Political transition encompasses the state-building, nation-building and society building processes.

State building process covers the issues of the enactment of basic constitutional ground rules; the creation of a democratic framework of political institutions; and post communist party system developments.

Nation building is concentrated on creating a sense of national (collective) identity among citizens. The process was challenged by the complications around Russian-speaking minorities in Latvia and Estonia. The government responses and the solutions of the problem will be discussed under this section.

The process of society building is about the implementation of civil society norms. The development of the third sector is the subject of special attention.

Social Transition focuses on the two main determinants of social welfare: unemployment and pension systems. The Baltic States managed to deal with booming unemployment of early transition period. It created the favorable conditions to implement efficient pension systems.

Cultural trauma of social change is caused by sudden, comprehensive, unexpected and fundamental changes. It is assumed that the general patterns of cultural trauma were characteristic to the Baltic societies but they managed to overcome it though the common will of achieving modernization goals.

Sum-up: the successful transition was mainly achieved by the influence of internal and external forces. Strong internal desire of “return to Europe” and right domestic political agenda helped the region to make the break from communist regime; the support of the international institutions, the role of Scandinavian countries and strong regional cooperation defined the achievement of primary national goal - integration into the Western institutions.