

Williams: one more resignation, more uncertainty

**LFMI President Elena Leontjeva interviewed
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Though the Williams deal was not the sole catalyst for Leontjeva's resignation from the position of economic advisor to President, she said that "inappropriate government actions discredited the idea of privatisation, open markets and private investments". [...]

Leontjeva agrees that the Williams deal was an example of a botched privatisation. She was especially critical of the government's amending laws to specifically name Williams as the strategic investor in the oil complex. "Equal treatment should be given to people and entities within the law," she said. "When you name a concrete entity within the law, it's a very cynical violation of this principle." [...]

Another problem is that direct criticisms of the economic feasibility of the deal could not really be stated because most of the terms were secret. Also, there was the issue of the state's state-guaranteed loans to Williams. "This contradicts the aim of privatisation - to separate entities from the state," Leontjeva said. "In the case of Mazeikiiai the state will still be largely responsible financially for the success of the company. That's why I called this deal a sale but not a true privatisation," Leontjeva said. [...]

But she is a moderate in her opposition to the Williams agreement. While some are calling for a referendum that would theoretically revisit the deal, Leontjeva says "it's irrational to question a deal that's already been done because that will only frighten Williams and probably make them more interested in short-term benefits rather than in long-term involvement. [...] If they succeed, they will be able to repay those loans the state guarantees, and the quicker they do it, the better for everybody." [...]

As for short-term consequences of the deal, Leontjeva hopes that Lithuanian government will help the country out of its economic woes not only by cutting the budget but also by quickly privatising several other sprawling state-owned enterprises, such as Lietuvos Telekomas, Lietuvos Energija, and Lithuanian Airlines. [...]