

4. Critical Negotiations

I went to a sports club in the morning. I then arrived at the office before my appointment and ate my lunch at an upscale business lunch canteen. Afterwards, while I waited for my meeting at a coffee place, I observed the shining sun and people, who were walking and chatting at the plaza, around the skyscraper and the mall.

Fieldwork report, Bareikytė, 19 February 2018

I wrote this excerpt during my participatory observation at Telia Lietuva's Head Office. When I read this text now, I think of an advertisement for a modern corporate life, preferably filmed using a drone that glides over a shiny plaza of skyscrapers in Vilnius from an invisible location in the sky. In the next shot, a camera zooms into a vivid business cafe, its tables filled with Caesar salads and the air thick with the loud conversations of corporate workers. Then I see an image from a meeting room with glass walls, white tables, and business managers seriously using pens to underscore statistical data on a white board power point slide.

At one point during my fieldwork, in particular when I spent time at Telia Lietuva's Head Office, I felt almost like I belonged to the corporate world. I drove a car every day and went to the gym frequently, drank a lot of take-out coffee, ate at business restaurants and coffee shops, sat in on various meetings, and conversed with telecom industry managers on a daily basis. For a short time, it felt as if I was formally living the aesthetic life of a corporate manager, yet without their salary and actual work goals. While much of my fieldwork was a positive experience, such a glossy description of both the research process and of corporate life is simplistic, because it avoids mentioning the disputes and negotiations that I encountered in the field of telecom industry producers.

Work at Telia Lietuva is energetic and future-oriented, while both the past and self-criticism is meant to swiftly sink into oblivion in the aim to persevere, evolve and attain profit. Some IT-related Telia Lietuva employees, including Matas from the Technology group of departments, contended that in focusing on future action, flexible work or-

ganization is key.¹ In the context of present and future focus, it is illustrative that the former Telia Lietuva (then-TEO) decided to sell its premises as well as close down The Network History Museum, which was the only museum explicitly concerned with the history of telecommunications in Lithuania.

In this chapter, I stay away from such polished descriptions of the Internet as infrastructure development, but also from general, non-situated critique of the Internet. In the following section, I explore particular critical negotiations regarding the Internet as infrastructure that I found on the ground during my fieldwork. This part of research is inspired by sociologists Luc Boltanski and Laurent Thévenot, who perceive critique as a highly diversified capacity of ordinary people, who use this criticism in order to “justify the views, beliefs and attitudes they have about specific issues with reference to some notion of a common good or a principle of a shared interest.”² Thus, Boltanski and Thévenot link critical justifications with the notion of generality: “To criticize or to justify, the persons have to extract themselves from the immediate situation and rise to a level of generality.”³ To criticize thus means to judge situations with the help of justifications and defend their causes with specific generalizations.⁴ It means the ability to transcend the presence of the here and now in which critique is expressed toward the particular generality that critique aims to achieve. My understanding of critical negotiations is inspired by Boltanski and Thévenot’s conceptualizations, which contend that critique is not reserved for the elaborated theoretical negotiations of a few, such as academics, but is expressed by multiple actors on a variety of topics that they simultaneously judge and transcend. My use of the term “critical negotiations” focuses on particular critical justifications and concomitant future visions that are implied in these justifications.

First, I argue that it is important to explore critical negotiations in the field of telecom industry because they are prevalent and constitute the present Internet as infrastructure development and maintenance.⁵ In fact, many actors were criticized during my fieldwork, including Telia Lietuva, the main telecom operator in Lithuania; other telecom operators; the Lithuanian state; the telecom industry; RAIN, a rural infrastructure project; telecommunications industry clients; the Communications Regulatory Authority; telecom infrastructure constructors; telecom industry workers; the privatization of Lietuvos Telekomas; the Internet as a media technology and its respective effects; and

1 Interview with Matas, 22 February 2018.

2 Delanty, “Varieties of Critique in Sociological Theory and Their Methodological Implications for Social Research,” pp. 85–86.

3 Boltanski and Thévenot, “The Reality of Moral Expectations,” p. 213.

4 Boltanski and Thévenot, “The Sociology of Critical Capacity,” p. 360.

5 The sociology of expectations in science and technology studies somewhat similarly argues for the attention in studying technology change to particular expectations that are said to drive activities, help mobilize resources, attract interest, foster investment, and refer to future visions. (Mads Borup, Nik Brown, Kornelia Konrad, and Harro van Lente, “The sociology of expectations in science and technology,” *Technology Analysis & Strategic Management* 27, no.3–4 (2006), p. 286.) Critical negotiations rather stress the convoluted and incompatible justifications and visions that guide infrastructure developments everyday, and that are in particular concentrated during crucial events of change.

even my PhD topic. Secondly, in addition to often occurring daily criticisms in the telecom industry, I also argue that during moments of crucial industry changes, critical negotiations are not uttered only to swiftly disappear, but that they eventually become more concentrated, intensified, and thus visible. Building upon the first and second argument, I lastly contend that intensive critical negotiations expressed during crucial industry changes not only judge, but also present specific future visions that comprise infrastructural developments. The Internet development and maintenance is not an unproblematic objective, but always embedded in societal struggles and their respective visions of the future. Accordingly, in the following chapter I explore one crucial event for the industry and the critical negotiations around it, namely the privatization of telecom operator Lietuvos Telekomas, because it changed the industry in terms of ownership, labor relations, and technical conditions. I particularly focus on critical negotiations surrounding Lietuvos Telekomas's privatization that were expressed by different stakeholders such as trade unions, private citizens, politicians, academics, and industry employees during and after privatization process. I accessed these negotiations in the field predominantly through archival material and unedited memoirs, but also through fieldwork interviews. This is made up of predominantly archival documents from the Lithuanian State Modern Archives, *Jie kūrė Lietuvos ryšius's* memoirs of telecom industry workers,⁶ and fieldwork interviews with telecom industry stakeholders. It also includes scholarly literature that serves to introduce readers to the case of privatization in Lithuania. I evaluated my fieldwork sources according to an analysis of how different stakeholders describe privatization process; what negative, positive, or neutral aspects they prescribe to privatization; and what outcomes they expect from privatization.

I analyze Lietuvos Telekomas's privatization because it was a crucial undertaking for Lithuania's Internet development, the development of the local telecom industry and Lithuania's broader transformation into a capitalist and European market economy. This privatization led to the modernization of Lithuania's main telecom provider's physical telecommunications infrastructure and the expansion of Lietuvos Telekomas clients' previously insufficient telephone and Internet access. According to a letter from Henrikas Varnas, the Vice Minister of the Ministry of Communications and Informatics, the privatization of a national telecommunications provider was also one of the main competitive and liberalized telecommunications market measures that Lithuania had to develop in order to become an EU member.⁷ Moreover, shortly before Lietuvos Telekomas's privatization, the 1998 Telecommunications Law granted an almost four-year fixed market monopoly to Lietuvos Telekomas. Practically, this meant that the privatized Lietuvos Telekomas had a privileged position in Lithuania's telecom market for several consecutive years. During privatization, Lietuvos Telekomas's ownership in 1998 shifted from the Lithuanian state to Amber Teleholding, a subsidiary of the Finnish

6 *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds.

7 Henrikas Varnas, "Dėl išskirtinių teisių suteikimo AB 'Lietuvos Telekomas': aiškinamasis raštas," 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 21: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t., p 90, Lietuvos valstybės naujasis archyvas (LVNA).

Sonera and Swedish Telia companies. In 1998, both Telia and Sonera were completely owned by the Swedish and Finnish states respectively,⁸ although state ownership continued to decline in the coming years.⁹ Privatization also led to resource optimization and the subsequent firing of most of Lietuvos Telekomas's labor force.¹⁰ Thus, Lietuvos Telekomas's privatization changed and shaped the current formation of Lithuania's telecommunication industry as well as the means of a new mode of governance (from public to private), ownership (from state-owned to owned by TeliaSonera), labor relations (the firing of most employees), and regulatory structure of Lithuania's telecom industry (the regulatory authority gained more power a few years after privatization).

Critical negotiations regarding Lietuvos Telekomas's privatization among its key stakeholders were widely spread. I use field material to illustrate how the Internet as infrastructure's development and change has been critically negotiated from a bottom up perspective, meaning that in the particular event of privatization, media technology development and its changes were not taken for granted. In this context, diverse stakeholders—academics, private citizens, politicians, businesses, and trade unions—attempted to criticize and influence this process as well as provide their visions into potential post-privatization futures. Thus, by exploring critical negotiations regarding Lietuvos Telekomas's privatization, I not only explore particular critical justifications and their future visions, but also illustrate a broader argument that infrastructure is not a large immutable object but that its development is immersed in struggles that become especially visible and intense during events that are crucial to their respective industry. I turn to Lietuvos Telekomas's privatization because it is not only a significant event in telecommunications and Internet development, but also

8 Commission of the European Communities, *Case No. Iv/Jv.9 Telia/Sonera/Motorola/Omnitel: Regulation (Eec) No 4064/89 Merger Procedure* (Luxembourg: Office for Official Publications of the European Communities, 1998), pp. 1–2.

9 By 2000, Telia was listed on Stockholm Stock Exchange (Anders Edwardsson, "Telia+Sonera=Teliasonera," *Telia Company*, accessed 16 January 2020, <https://www.teliacompany.com/en/about-the-company/history/telia-sonera-and-teliasonera/>). In 2002, 70 percent of Telia was owned by the Swedish government before the upcoming merger when Telia and Sonera merged into a company TeliaSonera (Commission of the European Communities. *Case No Comp/M.2803 -Telia / Sonera: Regulation (Eec) No 4064/89 Merger Procedure* (Luxembourg: Office for Official Publications of the European Communities, 2002), p. 2, https://ec.europa.eu/competition/mergers/cases/decisions/m2803_en.pdf). During the merger, Telia bought Sonera with the Swedish state acquiring 46 percent of the new TeliaSonera and the Finnish state more than 19 percent (Edwardsson, "Telia+Sonera=Teliasonera."). In 2020, Swedish government owned over 37 percent of the shares of the Telia Company, telecom giant in the Eastern and Northern parts of Europe after its name change in 2016. (Anders Edwardsson, "Teliasonera Proposes to Change Its Name To Telia Company," *Telia Company*, published 7 March 2016, accessed 15 January 2020, <https://www.teliacompany.com/en/news/news-articles/2016/teliasonera-proposes-to-change-its-name-to-telia-company/>); Thereupon, "Lietuvos Telekomas" was privatized by Swedish and Finnish government owned telecom companies Sonera and Telia, but government ownership in these companies declined in the course of years, and two companies merged into one, Telia Company, in 2002.

10 Elta, "Lietuvos Telekomas' atleidžia dešimtadalį darbuotojų," *Delfi.lt*, published 19 February 2004, accessed 14 July 2020, <https://www.delfi.lt/mokslas/technologijos/lietuvos-telekomas-atleidzia-dešimtadali-darbuotoju.d?id=3771569>.

because it was not a monolithic event that simply transpired, as the upcoming critical negotiations will illustrate.

It is important to mention the effects of these critical negotiations. In the case of Lietuvos Telekomas's privatization, critical negotiations did not have solid effects: thousands of workers were fired notwithstanding their objections and the remembrances of past telecom industry workers' contributions have mostly disappeared from public view. On the other hand, market regulation has improved, although this was not the sole result of local critical negotiations—EU directives played a substantial, if not decisive, role for the establishment of the Communications Regulatory Authority, the main industry regulator. Notwithstanding their ineffectiveness in this particular case, critical negotiations illustrate that infrastructure developments are never smooth. They furthermore shed light on what is actually at stake, namely what future visions are embedded in infrastructural developments, and imply that these futures might be different.

4.1 Privatization in Lithuania

Critique of Lietuvos Telekomas's privatization falls into the category of the many post-socialist transformation experiences that have framed societal life in Lithuania since the disintegration of the Soviet Union. In this context, I rely on scholarly work that describes these experiences as “transformation,” because this term is interested in different post-socialist experiences,¹¹ and thereby differs from the concept of “transition,”¹² which tends to use a universal experience point of view to narrate a shift from a socialist system to a capitalist system in post-Soviet territories.

Before I concentrate on the case of Lietuvos Telekomas's privatization, I would like to briefly turn to scholarly debates around the issue of privatization in Lithuania in order to understand what comprises the academic treatment of privatization in Lithuania. The main goal of this review is to understand how the privatization process is presented in scholarly work in Lithuania and to introduce readers to the basics of Lithuania's privatization process as well as Lietuvos Telekomas's privatization.

There is abundant scholarly literature on Lithuania's privatization process. Most authors investigate this issue from a social science perspective, particularly from an economic viewpoint, which analyses privatization through the lenses of social and economic transformation.

In this literature, privatization in Lithuania—and other Central and Eastern European (CEE) countries—is said to differ from privatization in capitalist economies due to its radical character. Privatization in post-socialist CEE countries corresponds to a sequence of events that sought to create a completely different economic and judicial system than that of the Soviet Union, which was based on a centralized socio-political eco-

11 Srećko Horvat and Igor Štiks, *Welcome to the Desert of Post-Socialism* (New York: Verso, 2014); Katherine Verdery, *What Was Socialism, and What Comes Next?* (Princeton: Princeton University Press, 1996).

12 Aleksandr V. Gevorkyan, *Transition Economies: Transformation, Development, and Society in Eastern Europe and the Former Soviet Union* (Abingdon: Routledge, 2018).

conomic arrangement that was controlled for decades by one party. Accordingly, two main types of privatization can be discerned: privatization in market economies and privatization in post-socialist states. While intensified privatization has also taken place in western economies since the 1970s, it was inherent in these existing market economies, while it was not yet established in emerging post-Soviet countries. Economist Eglė Mitalauskienė debates different types of privatization in countries where markets were only partially regulated by the state, and post-Soviet economies that long consisted of specialized territorial production and centralized economic regulation. Mitalauskienė argues that while privatization is usually understood as the transition from state to private owners, seen in market economies as the aim to increase efficiency by separating business decisions from politics, post-Soviet transformation economies not only aimed for this separation, but they also needed to first radically restructure their economic and political systems toward market economies, and then establish a capital-based market and its corresponding privatization process.¹³

Privatization in Lithuania thus belongs to the category of radical societal transformation events after the disintegration of the Soviet Union, although it was not initially clear to where this transformation would lead. According to Mitalauskienė, while there were plenty of transformation supporters on the eve of reforms in Lithuania, there was a lack of market economy experts and lawyers who could actually do the necessary work required to institute these reforms. In 1988, a reform group in Lithuania prepared a first document to gain partial autonomy from the Soviet Union titled the “Conception of Lithuanian SSR (Soviet Socialist Republic) Economic Independence.” This document outlined a plan to de-couple Lithuania’s economy from that of the Soviet Union, but it did not aim for country’s political independence or the establishment of a private market economy.¹⁴ As social scientists Virginija Jurėnienė and Skaistė Jurėnė argue:

The conception did not describe a transition into the free market economy as it was limited to Lithuanian economic independence as a part of the SSSR. The conception of economic independence stood for refusal of the main attribute of a social state, i.e., a centralized planning system. For the first time it was declared that dependence of the Lithuanian government on the central government of the SSSR was cancelled, and that the property in the territory of Lithuania now belonged to Lithuania.¹⁵

Lithuania declared its independence from the Soviet Union two years later, on 11 March 1990. This transformation was a difficult socio-political, economic process of change due to recession, inflation, and radical societal changes. Hardships included societal and economic extremities, such as enormous inflation rate from 1990 to 1993, which economist Raimondas Kuodis states as comprising a 383 percent inflation rate in 1991 and a 1163 percent rate in 1992. According to Kuodis, there was no inflation in the Soviet

13 Eglė Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” (M.A. thesis, Mykolas Romeris University, 2005), pp. 3–4, 8, 16.

14 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” pp. 10–11.

15 Virginija Jurėnienė and Skaistė Jurėnė, “Political, Economic, and Social Issues of Lithuania,” in *Lithuania: Political, Economic and Social Issues*, ed. Bronius Kazlauskas (Hauppauge, NY: Nova Science Publishers, 2018), p. 5.

Union because it was tamed by the state, which regulated prices.¹⁶ Jurėnienė and Jurėnė argue that in these initial years of transformation with its extreme effects caused different aspects of life—people’s behavior as well as social and economic structures—to radically change:

But the volume of the real recession cannot be precisely calculated as legal acts were totally changed; moreover, people’s behaviour altered dramatically. Until 1990, factories found it convenient to declare more production than they really produced. After 1990, people found it useful to hide information about their production and sales so that they could pay less taxes.¹⁷

Another difficulty was that until the Russian financial crisis in 1998, Lithuania exported predominantly to CIS countries, but later it had to look for and shifted its export efforts to western markets.¹⁸ Kuodis posits that there were no historical precedents for post-Soviet countries such as Lithuania in their transformation from Soviet socialism to a market-based democracy.¹⁹ Economist and politician Eugenijus Maldeikis argues that the main goal of Lithuania’s transformation was to change ownership relations through the privatization process:

Lithuania chose one of the most ambitious methods of privatization compared to other countries in Central and Eastern Europe, privatizing two-thirds of state property. The process of privatization is the backbone of the Lithuanian transformation process and has a significant impact on the general economic development of the country, the creation of a competitive business environment, and the development of a system of corporate governance and securities market.²⁰

Economists Giedrius Šidlauskas and Stasys Kropas (who worked for the International Monetary Fund at the time of this article’s publication) contend that post-Soviet Lithuania’s economy found itself in bad shape due to the rupture of economic relations with the Soviet Union, increase of energy prices from Russia, and decrease of societal income. They stated, “Prices have risen sharply, real incomes have decreased and so there could have been no alternative to which adaptation policy to choose: fast or gradual.”²¹ The authors claimed that transformation had to be fast if Lithuania wanted to maintain its independence, because gradual transformation depended on, for example, access to energy prices below the global average, which would be only available if Lithuania continued to depend on Russia. For this reason, the Lithuanian government and the Lithuanian Bank signed an economic policy memorandum with the IMF to liberalize their

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- 16 Raimondas Kuodis, “Lietuvos ekonomikos transformacija 1990–2008 metais: etapai ir pagrindinės ekonominės politikos klaidos,” *Pinigų studijos*, no. 2 (2008), pp. 97–98.
- 17 Jurėnienė and Jurėnė, “Political, Economic, and Social Issues of Lithuania,” p. 10.
- 18 Kuodis, “Lietuvos ekonomikos transformacija 1990–2008 metais,” pp. 100–101.
- 19 Kuodis, “Lietuvos ekonomikos transformacija 1990–2008 metais,” p. 97.
- 20 Eugenijus Maldeikis, *Privatisation in Lithuania: Expectations, Process, Consequences* (Edinburgh: Centre for Economic Reform and Transformation, Heriot Watt University, 1996), p. 1.
- 21 Stasys Kropas and Giedrius Šidlauskas, “Tarptautinis Valiutos Fondas ir Lietuva: bendradarbiavimo raidos bruožai bei perspektyvos,” *Pinigų studijos*, no. 3 (2002), pp. 65–66.

market, introduce a national currency, privatization, and land reform, to foster competition and reduce governmental control of the economy,²² which the authors posit as a “logical and unavoidable step.”²³ Jurėnienė and Jurėnė position this economic transformation toward a market economy in geopolitical terms as Lithuania’s turn from the East to the West:

When the Soviet Union occupied Lithuania on 15 June 1940, its economy was integrated into a planned economy regulated by the state. On 11 March 1990, Lithuania declared independence and chose the Western way of economic development, i.e., economic relations based on private ownership, competition and free market. Lithuanian economy had to be reoriented from Eastern markets (Russia) to Western, American and Far Eastern. . . . During the transitional period when company privatization, attraction of foreign capital and other economic processes took place, Lithuanian economy underwent a decline in comparison with 1976–1988, and a revival once it became a member of the EU in 2004.²⁴

The aforementioned scholarly literature on privatization thus predominantly describes it as a constitutive part of post-socialist Lithuania’s transformation toward a western capitalist economy. Privatization in Lithuania aimed to develop capitalist economic structures that were independent from the Soviet Union’s military-industrial complex, although Soviet Union interference had the potential to completely suspend Lithuania’s socioeconomic life, as exemplified by the Soviet Union’s blockage of raw material entering Lithuania in 1990.²⁵ Over the course of time, Lithuania’s government consulted experts from the World Bank and the IMF to implement reforms that were similar to those adopted in South America.²⁶ Šidlauskas and Kropas acknowledged that the cooperation between the IMF and Lithuania was criticized due to its policies that ignored sociopolitical consequences and specificities of particular places but, according to the authors, “it was the only choice.”²⁷ Šidlauskas and Kropas go so far as to argue that cooperation between Lithuania and the IMF was supported by all main political powers and trade unions because this cooperation would ensure the necessary flow of needed external financing, consultancy and cooperation from abroad.²⁸ Similarly, Maldeikis claims that privatization has been always supported in Lithuania:

The necessity of privatisation was never discussed in Lithuania as it was considered the main sphere of the economic reforms. All political parties and society groups in Lithuania supported this approach. The major dispute concerned the method (or

22 Kropas and Šidlauskas, “Tarptautinis Valiutos Fondas ir Lietuva,” pp. 65–66.

23 Kropas and Šidlauskas, “Tarptautinis Valiutos Fondas ir Lietuva,” pp. 65–66.

24 Jurėnienė and Jurėnė, “Political, Economic, and Social Issues of Lithuania,” p. 55.

25 Jurėnienė and Jurėnė, “Political, Economic, and Social Issues of Lithuania,” p. 7.

26 Jurėnienė and Jurėnė, “Political, Economic, and Social Issues of Lithuania,” pp. 6, 55; Kropas and Šidlauskas, “Tarptautinis Valiutos Fondas ir Lietuva,” p. 65.

27 Kropas and Šidlauskas, “Tarptautinis Valiutos Fondas ir Lietuva,” p. 66.

28 Kropas and Šidlauskas, “Tarptautinis Valiutos Fondas ir Lietuva,” pp. 66, 69.

methods) of privatisation, e.g. whether to implement a commercial or distributional privatisation model.²⁹

Mitalauskienė additionally argues that the majority of the political parties, with the exception of non-influential Socialist party, supported privatization. Debates circulated around the issues of the number and kind of properties that should remain under state ownership, but not concerning if the state should actually start the privatization process.³⁰ Privatization in Lithuania was a long and complicated process that defined new property structure, dismantled the economic legacy of the Soviet Union and reformulated economic policy anew.³¹

In scholarly literature, Lithuania's privatization is often described as consisting of three main phases: voucher-based mass privatization (1991–1995), cash-based privatization (1995–2004), and a “western” type of privatization in an already-established market economy (2004–present).³² The telecommunications industry, particularly Lietuvos Telekomas's privatization in 1998 during the second privatization stage, played a special role in the privatization process, because it was the biggest privatization deal in Lithuania.³³

The Law on Privatization of State Property of the Republic of Lithuania established the first privatization phase, which was based on providing investment vouchers to citizens and was valid until 1995.³⁴ It aimed to develop a new economic system based on private property, corporate governance and the decreased role of government in the economy against the backdrop of the emerging state.³⁵ All Lithuanian citizens used investment vouchers to privatize enterprises, housing, and land³⁶; only 7 percent of vouchers were not used by 1995.³⁷ This phase of privatization prioritized locals over foreign investors and company workers over other local investors. It was forbidden to sell land to foreign investors, but there was not tremendous interest from foreign investors anyway.³⁸ While foreign investors could privatize large share packages for convertible currency during this first phase of privatization, foreign investors only privatized four companies until 1995.³⁹ The first privatization phase thus stands out due to its lack of

29 Maldeikis, *Privatisation in Lithuania*, p. 2.

30 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 29.

31 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 4.

32 Jolanta Solnyškinienė, “Nuosavybės struktūros pokyčiai Lietuvos bendrovėse,” *Tiltai*, no. 2 (2004), p. 45; Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 23; Jurėnienė and Jurėnė, “Political, Economic, and Social Issues of Lithuania,” pp. 13–14.

33 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 28.

34 Maldeikis, *Privatisation in Lithuania*, p. 3; Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” pp. 14–15.

35 Solnyškinienė, “Nuosavybės struktūros pokyčiai Lietuvos bendrovėse,” p. 45; Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” pp. 17–18.

36 Maldeikis, *Privatisation in Lithuania*, p. 5; Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 20.

37 Maldeikis, *Privatisation in Lithuania*, p. 7.

38 Solnyškinienė, “Nuosavybės struktūros pokyčiai Lietuvos bendrovėse,” pp. 48–49.

39 Solnyškinienė, “Nuosavybės struktūros pokyčiai Lietuvos bendrovėse,” p. 45; Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 23.

foreign investors and majority of joint-stock company capital owned by local, high level company managers, workers, and the state.⁴⁰ Maldeikis argues that the first privatization phase was fast-paced and aimed at a general transformation to private ownership, which itself was seen as an efficiency-improving factor.⁴¹ During this phase, a 1994 law, titled “Law for State-owned Enterprises until the Year 2000 Not Intended to be Shared or Privatized,”⁴² was issued, which outlined a list of objects that could not be privatized, which included Lietuvos Telekomas.⁴³ In scholarly literature, the first period of privatization is described as the most chaotic: the country was emerging, a legal framework was being developed, and due to this initial turmoil, privatization transactions were often corrupt or semi-legal. Much of state property was privatized by Lithuanian citizens who had barely any experience in a capitalist market economy, while there were limits to foreign investments that could bring additional capital and experience into the new market.⁴⁴

The second privatization phase began in 1995 (de facto enacted from 1996 to 1997) with the Law on State and Municipal Asset Privatization, which allowed the market price of cash purchases of state-owned property.⁴⁵ This privatization phase aimed to further develop the private sector and market economy by laying a greater focus on investments and technology from abroad, increased profitability of state owned companies, and a decreased government role in economy regulation, among other issues.⁴⁶ This phase aimed to sell marketable objects in order to decrease the state budget deficit and attract foreign investments by equalizing state property buying conditions for the foreign and local investors and to reorganize and privatize large infrastructural objects and companies not managed by the state.⁴⁷ While Lithuanian investors privatized most of the property and foreign investors purchased only eight objects in 1998, since 1998 foreign privatization grew and comprised the largest income shares.⁴⁸ The state established the Law of State and Municipal Property Privatization and States Assets Fund in 1998; based on foreign experience, this law sought to manage and create better conditions for foreign investors to participate in the privatization process.⁴⁹

The last phase of privatization is described in scholarly literature as a period of stability that began around 2004, when the state began an ongoing retraction from eco-

40 Solnyškienė, “Nuosavybės struktūros pokyčiai Lietuvos bendrovėse,” pp. 48–49.

41 Maldeikis, *Privatisation in Lithuania*, p. 2.

42 Lietuvos Respublikos Seimas, *Dėl valstybinių įmonių, kurių iki 2000-ųjų metų nenumatoma nei akcinuoti, nei privatizuoti, l-744*, Vilnius: Lietuvos Respublikos Seimas, (1994), <https://e-seimas.lrs.lt/portal/legalAct/lit/TAD/TAIS.15176/HXtdPWemqZ>.

43 Solnyškienė, “Nuosavybės struktūros pokyčiai Lietuvos bendrovėse,” pp. 48–49.

44 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” pp. 20, 61.

45 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” pp. 14–15; Maldeikis, *Privatisation in Lithuania*, p. 3.

46 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” pp. 62.

47 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” pp. 18, 27.

48 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 27.

49 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 27.

conomic regulation and privatization became similar to “developed Western countries,”⁵⁰ due to decreased mass privatization and increased object-based privatization.⁵¹

In the first fifteen years of independence, Lithuania developed a functioning market economy against the backdrop of three privatization phases that first focused on locals and then allowed foreign investments in the country. This comprised a small market, a relatively cheap labor force and ongoing emigration alongside EU and NATO membership in 2004.⁵² In this context, the key telecom operator in the country, Lietuvos Telekomas, 1998 privatization represents one of the biggest privatization deals in Lithuania's history that majorly shaped the telecommunications industry in terms of ownership, equipment modernization, and labor relations.

4.2 The Privatization of Lietuvos Telekomas

Organizational researchers Raminta Pučėtaitė and Aleksandras Vasiljevas in a uniquely critical scholarly article on Lietuvos Telekomas privatization posit that Lietuvos Telekomas was built upon the telephone network legacy of the former Soviet Union; it became independent from the former Soviet Union Communications Ministry after Lithuania's independence in 1990. On 6 February 1992, it was established as Lietuvos Telekomas, a centralized state enterprise. Telecommunications organizations in Soviet Lithuania did not function efficiently. After Moscow's source of funding was cut due to the disintegration of the Soviet Union, the telecommunication sector's debts reached three hundred million Litas in 1997, which led the cash-strapped 1990s government to undertake the contested privatization of Lietuvos Telekomas.⁵³ In her M.A. thesis on the management of Lietuvos Telekomas, organizational researcher Jūratė Birutyte-Ivanauskienė argues that the privatized Lietuvos Telekomas invested two billion Litas into network digitalization between 1998 and 2006, and developed ADSL technology. Over the course of time, from 2005, the company started developing 2 Mb/s wireless broadband Internet network in the whole country. Lietuvos Telekomas thus became one of the leaders in Lithuania's Internet access market.⁵⁴ On a less positive note, Lietuvos Telekomas's number of employees has drastically sunk since these developments. On 31 December 1997, Lietuvos Telekomas had over ten thousand employees,⁵⁵ but only seven thousand

50 Mitalauskienė, “Privatizavimo eiga Lietuvoje po 1990 m. ir rezultatų įvertinimas,” p. 32.

51 Jurėnienė and Jurėnė, “Political, Economic, and Social Issues of Lithuania,” p. 14.

52 Jurėnienė and Jurėnė, “Political, Economic, and Social Issues of Lithuania,” p. 15.

53 Aleksandras Vasiljevas and Raminta Pučėtaitė, “Suinteresuotųjų Grupių Vadybos Problemos Privatizacijos Ir Tarptautinio Verslo Kontekstuose: ‘Lietuvos Telekomo’ Atvejis,” *Tiltai*, no. 3 (2004), p. 37.

54 Jūratė Birutyte-Ivanauskienė, “Besimokančios organizacijos bruožai akcinėje bendrovėje ‘Lietuvos Telekomas,’” (M.A. thesis, Šiaulių universitetas, 2006), p. 29.

55 Vytenis Junevičius and S. Žilėnaitė, “Viešo konkurso komisijos ryšių įmonėms privatizuoti posėdžio protokolas nr. 3-2,” 1998, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomoios organizacinės veiklos bylų apyrašas: 1, 32: “Viešo konkurso komisijos AB ‘Lietuvos Telekomas’ įmonei privatizuoti dokumentai (posėdžių protokoliai, programos, susirašinėjimas su užsienio firmomis ir kt.),” p. 159, Lietuvos valstybės naujasis archyvas (LVNA).

people worked at the company by late 1999.⁵⁶ By the end of 2003 only 3400 employees were expected to work at the company,⁵⁷ in 2015 the company employed over 1900 people, and in 2020 they employed over 1600 people.⁵⁸

Vasiljevas and Pučėtaitytė contend that before its privatization the Lithuanian government aimed to increase Lietuvos Telekomas's value by legalizing the right for new owners to increase tariffs and issuing the new Telecommunications Law (9 June 1998), which insured temporary exceptional monopoly rights for Lietuvos Telekomas's provision of general fixed telephone communication services until December 31, 2002.⁵⁹ The authors state that this monopoly license gave the privatized Lietuvos Telekomas the right to increase tariffs, but their formula was "not economically viable, nor submitted for public discussion."⁶⁰ The article outlines many problems related to this privatization and its aftereffects, such as the lack of publicly accessible information on the privatization process, which led to the reliance of broader society on media articles that "spread ideas and beliefs that justice belongs to the powerful."⁶¹ Additionally, they argue that the privatized Lietuvos Telekomas ignored stakeholder interests by continuously increasing prices for telephone rates (seven times between 1999 and 2002).⁶² Moreover, they claim that the privatized Lietuvos Telekomas disregarded user, small shareholder, and competitor interests on multiple occasions. For example, the company was accused of installing filters for the analog infrastructure lines that it then rented to other Internet service providers for data transmission service. These filters were said to decrease data transmission capacity and furthermore force clients to rent more expensive digital lines. After protests, the company explained that the installation of these filters was an engineering mistake that was sequentially corrected.⁶³ Additionally, the article negatively judges the Government for being "interested more in their image in Europe than the well being of the population,"⁶⁴ due to its alleged passivity and secret agreements with Lietuvos Telekomas.⁶⁵ The article argued that while some telecom clients replied with

56 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 37.

57 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 38.

58 Valstybinio Socialinio Draudimo Fondo Valdyba (Sodra), "Telia Lietuva, AB darbuotojai (apdraustieji)," Rekvizitai, 2020, https://rekvizitai.vz.lt/imone/teo_lt/darbuotoju-skaicius/.

59 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 37.

60 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 37.

61 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 38.

62 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," pp. 37–39.

63 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," pp. 40–41.

64 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 42.

65 Vasiljevas and Pučėtaitytė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," pp. 40–42.

protests and cancelled their subscription to the company's services, broader Lithuanian society was uninformed and passive.⁶⁶ In addition to its many negative critical statements, this article also argued that Lietuvos Telekomas rationally reorganized an employee structure that was previously comprised of many "parasitic structures that artificially created jobs for relatives, friends and acquaintances of those who have held high positions in the company,"⁶⁷ and improved its technology and user telephone access. It also undertook other measures to attract clients, such as introducing social well-being as a strategic goal from 2002 onward.⁶⁸ These issues hint at the tumultuous nature of Lietuvos Telekomas's privatization process and aftereffects.

While Pučėtaitė and Vasiljevas criticize Lietuvos Telekomas's privatization, many other scholarly sources and governmental documents describe it as the only available option for developing and modernizing Lithuania's telecommunications sector. For example, in 1998 the Social Affairs and Labor Committee of the Lithuania Parliament debated and approved the Law for the Replacement of Telecommunications Services Tariffs issued by the Ministry of Communications and Informatics. Its explanatory writing bluntly states that there is no alternative to Lietuvos Telekomas's privatization:

There is no alternative to changes in telecommunications services tariffs, taxation of local conversations and joint-stock company Lietuvos Telekomas' privatization. In solving this question, there are three options: 1. Bankruptcy in the future; 2. Investments in billions from the pockets of all taxpayers; 3. Service taxation and privatization of the company. This is why the third option was chosen.⁶⁹

Accordingly, the state-owned Lietuvos Telekomas was reorganized into a joint-stock company on 16 July 1997. In 1998, 60 percent of its shares were privatized to Amber Teleholding, a Telia and Sonera consortium. In 2000, state enterprise State Property Fund further privatized 25 percent of its shares in a public sale.⁷⁰ The attitude of "no alternative" in Lietuvos Telekomas's case in particular, and in privatization case in Lithuania in general, is not only reminiscent of Margaret Thatcher's infamous slogan, but also of the perspective expressed in the European Bank for Reconstruction and Development's annual report in 1995 regarding the privatization and liberalization of the telecommunications sector in CEE and the former Soviet Union. This report also argues that the

66 Vasiljevas and Pučėtaitė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 42.

67 Vasiljevas and Pučėtaitė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 38.

68 Vasiljevas and Pučėtaitė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 43.

69 Visokavičienė, B. "Aiškinamasis raštas," 1998, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 50: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t., p. 133, Lietuvos valstybės naujasis archyvas (LVNA).

70 Lietuvos Telekomas, *Akcinės bendrovės „Lietuvos Telekomas“ 2005 metų prospektas-ataskaita* (unpublished, 2005), p. 13, https://nasdaqbaltic.com/market/upload/reports/teh/2005_yb_lt_ltl_con_ias.pdf.

privatization and liberalization of telecommunications sector was a necessity for reasons of efficiency, and that these processes should be regulated by the government and eventually liberalized in order to increase telecom sector competition, as previously formulated in the 1987 European Union Green Paper.⁷¹

In Lithuania, Lietuvos Telekomas's complex privatization process was guided by a tender-winning consultancy company, which was commissioned to help the government with financial, technical, and legal privatization issues as well as to develop a privatization program.⁷² According to the archival material, the Commission received full applications from seven consultancy companies and consortiums and chose the Union Bank of Switzerland as the winner.⁷³ Later, six companies were qualified to apply to Lietuvos Telekomas's privatization: France Telecom, OTE, STET International Telecom Italia, Tele Denmark, Telia, and Telecom Finland.⁷⁴ Swedish-Finnish Telia and Sonera consortium won. The critical negotiations and their distinct justifications as well as future visions surrounding Lietuvos Telekomas's privatization, which I explore in the following, illustrate how Internet infrastructural developments do not follow a linear, clear path, but are rather embedded in ongoing struggles and potential visions of development.

4.3 Critical Negotiations Regarding Lietuvos Telekomas's Privatization

Lietuvos Telekomas's privatization has not been easily forgotten: during my fieldwork it was still criticized among key telecom industry stakeholders. The critical judgments surrounding Lietuvos Telekomas's privatization are not radical in the sense that they

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- 71 Clell Harral, Jack Colbourne, and Gueorgui Horozov, *Privatisation of the Telecommunications Sector in Central and Eastern Europe and the Former Soviet Union* (European Bank for Reconstruction and Development, Telecommunications Team, 1995), pp. 4–6.
- 72 Vytenis Junevičius, “Techninė užduotis Lietuvos telekomo privatizavimo programai paruošti,” 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 18: Viešo konkurso komisijos ryšių įmonėms privatizuoti posėdžių protokolai, techninių vertimų apibendrinimai, 1 t., p. 26, Lietuvos valstybės naujasis archyvas (LVNA).
- 73 Vytenis Junevičius, Vaidotas Vilutis, “Viešo konkurso komisijos ryšių įmonėms privatizuoti posėdžio protokolas nr. 4,” 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 18: Viešo konkurso komisijos ryšių įmonėms privatizuoti posėdžių protokolai, techninių vertimų apibendrinimai, 1 t., pp. 49–50, Lietuvos valstybės naujasis archyvas (LVNA). In fact, it appears that there were more companies consulting the government on the privatization of Lietuvos Telekomas: UBS Limited/CIBC Wood Gundy consortium, “Arthur Andersen, “McDermott, Will & Emery” (CIBC Wood Gundy, “Draft Press Release, Government of Lithuania appoints Telecoms Privatisation Advisers,” 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 21. Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t., pp. 17–21, Lietuvos valstybės naujasis archyvas (LVNA)).
- 74 Gareth Thomas to Vytenis Junevičius, “Laiškas,” 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 35: Susirašinėjimas su užsienio firmomis dalyvavimo viešame konkurse AB “Lietuvos Telekomas” privatizuoti klausimais, p. 45, Lietuvos valstybės naujasis archyvas (LVNA).

do not question the very event of Lietuvos Telekomas's privatization. However, these critical negotiations show how infrastructure developments are always embedded in larger issues at stake. Privatization is still an issue that is criticized amongst current telecom industry stakeholders. In fact, prominent American-Lithuanian businessman Juozas Kazickas, who established Omnitel, one of the first private telecommunications companies in Lithuania, even claimed that he, a wealthy businessman from the US, had not privatized anything in Lithuania due to fear of critique and accusations of societal exploitation or the use of this period of transformation to purchase cheap assets.⁷⁵ Due to the fact that Lietuvos Telekomas was such a crucial asset to the telecom industry, its privatization changed the industry and thus critique of this process has been intense, visible and ongoing.

Critiques especially included the privatization of the nation-wide underground communication channel system, which is a crucial means for telecom service providers to provide Internet access. After privatization, this service was controlled by the private Lietuvos Telekomas. Algirdas, an interviewee from the political field, complained, "The bad thing was, the huge bad [thing], even though we told the politicians, but this hasn't been listened to—not only the buildings, not just the computers—the worst thing was that all the tracks were privatized. . . . All so-called canalization."⁷⁶ A couple of fieldwork participants posited that the privatized Lietuvos Telekomas hindered competitor access to its underground communications channel system, and thus they had to seek alternative ways to gain access.⁷⁷ Vytenis, an employee at one of the smaller telecom operators, stated:

you start negotiations with them [Lietuvos Telekomas], and they do not take place . . . you cannot establish telephone service without having anything . . . you need to connect your networks. . . . And they did everything for that connection not to happen. It took us more than a year . . . which was already legal . . . we were right, according to the law, for them to give us the connection. But this, in fact, cost us a lot financially, and for many years we were working in the red . . .⁷⁸

Even during the time I undertook my fieldwork, the company for which Vytenis worked rented very few communication channels from Telia Lietuva, because "it would never sell to us, more precisely, it would sell with an outlandish price, which would be many times higher than the retail price . . . In this way the competition was regulated."⁷⁹ Skaidula, a private company that started laying, selling, and renting their own communication channel infrastructure, provided one of the first alternatives to Lietuvos Telekomas's underground communication channels. This competitor led Lietuvos Telekomas to decrease their communication channel rental prices. Linas, an employee from Kaunas Technological University, stated:

75 Juozas Petras Kazickas, "Untitled," in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., pp. 453–454.

76 Interview with Algirdas, 9 November 2017.

77 Interview with Tomas, 27 March 2017; Interview with Vytenis, 21 March 2017.

78 Interview with Vytenis, 21 March 2017.

79 Interview with Vytenis, 21 March 2017.

Because they [Skaidula] turned the magisterial network market in Lithuania upside down. Because in the beginning it was a gloomy Belarus, monopoly, that's it. . . . After that also TEO saw, 'Well, what's the difference? I have the cable, but if I tell to rent the stream, then it will run to Skaidula, and buy the cable, and then my cable is on the downtime.' . . . in reality eating money, because it is getting old, and I will not get any money afterwards.⁸⁰

As these examples show, Lietuvos Telekomas's privatization impacted underground communication channel sharing and fostered the emergence of alternative physical infrastructure providers such as Skaidula.

I dug deeper into bottom-up critique of Lietuvos Telekomas's privatization expressed by the key stakeholders before, during, and after the privatization process along the lines of Boltanski and Thévenot's conceptualization of critique as the mundane human crucial capacity to use critical justifications to strive for a vision of a better future.⁸¹

One of the justifications of Lietuvos Telekomas's privatization that I encountered in the field was a description of it as a necessary, urgent and politically motivated process for Lithuania. In this context, Lithuania represented a country that aimed to attract foreign investments and join "the West" since the fall of the Soviet Union. Other perspectives judged privatization in explicitly negative or positive terms. Negative justifications were particularly concerned with workers rights, tariff policies, the temporary monopoly right backed up by the 1998 Telecommunications Law that allowed the privatized Lietuvos Telekomas to provide fixed telephone services and the uncertain course of physical infrastructure channel sharing practices among telecom operators after Lietuvos Telekomas's privatization, as mentioned above. Positive justifications of privatization depicted it as a socially responsible and technically and institutionally progressive act. In the following section, I present justifications organized under three main categories: privatization as necessary, negative, and positive. Within these designations, I chose illustrative statements from coded primary sources to explore diverse critical negotiations implied thereupon.

The description of privatization as necessary was mainly stated by public officials in the memoir *Jie kūrė Lietuvos ryšius* and archival Ministry of Communications and Informatics documents that I accessed at the New Lithuanian State Archives. One illustrative judgment comes from public official Jonas Ūsas, who contended that the privatization of Lietuvos Telekomas was an act that was necessary for Lithuania to access the EU, modernize Lietuvos Telekomas, and solve local budgetary problems:

Even now, people sometimes ask whether or not it was necessary to privatize the Telecom. After weighing all the pros and cons, I can say with certainty that it was needed and at least one year earlier. It was necessary both from state and private perspectives. The not yet privatized Telecom did not receive the necessary funds for the modernization and development of telecommunications equipment. Even the Seimas [Lithua-

80 Interview with Vytenis, 21 March 2017.

81 Boltanski and Thévenot, "The Sociology of Critical Capacity," p. 375; Boltanski and Thévenot, "The Reality of Moral Expectations," pp. 208–31.

nian Parliament] refused to grant permission for a 5 million Litas loan. We also know the attitude of foreign investors towards state-owned enterprises. Also, Lithuania intended to become a member of the European Union. As the head of the Lithuanian 'Telecommunication and Information Technology' Division of the European Union negotiations, I can say that without the privatization of the Telecom, we could not dream of joining the European Union. In privatizing the Telecom, the state first solved the problem of the state budget, receiving over 2 billion Litas for 60 percent of the shares. At that time, the amount received comprised a quarter of the country's budget. It was money that helped solve the problems of the onset of the Russian economic crisis and many other problems.⁸²

Ūsas's perspective depicts privatization as necessary to modernize main telecom provider Lietuvos Telekomas, foster foreign involvement in Lithuania's market, solve Lithuania's budgetary issues, and help Lithuania join the EU. Accordingly, privatization is said to solve both local problems and international cooperation issues.

Within my material, I have not found any primary source statement that radically questions privatization, but there were plenty of explicitly negative and positive judgments that either challenged or praised it and went beyond such a pragmatic stance on necessary privatization.

Some stakeholders ambiguously praised privatization while grieving its social costs.⁸³ One such inconclusive stance came from Minister of the Ministry of Communications and Informatics, Alfredas Antanas Basevičius, who praised privatization due to its effect on telecom equipment modernization, while simultaneously mourning for lost jobs:

During this period, the technological development of telephone networks changed radically, expansion of digital telephone communication networks, fiber optic cables were further intensified, digital transmission systems and switching stations were established, the AXE-type Ericsson International Telephone Station was built in Vilnius. However, the rapid digitalization of the telephone network and the inadvertent increase of tariffs have led to the dismissal of a large number of workers, many of whom have experienced these changes with great difficulty. . . . Since 1998, over seven thousand employees left Lietuvos Telekomas since its privatization in 1998 and the number of subscribers decreased from 120,0000 to 800,000.⁸⁴

Among the explicitly negative justifications, a few notably stand out. Negative judgments were expressed regarding the privatization process as such, lost respect for the status of telecommunications workers, rising tariffs for telecommunications services, the introduction of the monopoly right for Lietuvos Telekomas, and new methods for sharing physical infrastructure for different industry stakeholders. These negotiations

82 Ūsas, "Untitled," in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., p. 229.

83 Alfredas Antanas Basevičius, "Untitled," in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., p. 178; Egidijus Žilius "Untitled," in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., pp. 433–434; Romualdas Degutis, "Untitled," in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., p. 406.

84 Basevičius, "Untitled," p. 178.

exemplify how the privatization of Lietuvos Telekomas was actually immersed in societal, institutional, and technical debates that took place before and after the event of privatization.

First, a few public officials and networks constructors stressed the legacy of telecom workers who helped raise Lietuvos Telekomas's value during Soviet times, but were quickly isolated and discarded during privatization. Vytautas Jonas Kuzma, the Minister of Communications Ministry of the Lithuanian SSR, contends in his memoir that the difficult work done by Lithuanian SSR telecommunications employees helped increase the value of the contemporary Lietuvos Telekomas:

In 1998, with the privatization of Lithuanian Telecom, in just over five years almost all stations became digital, a large number of fiber-optic cables multiplexed with digital high-throughput systems were laid. It seems there is not much to be proud of if there was more achieved during these five years than the last five decades? But without a good foundation, would this reconstruction be easy and how much would it cost? I think that nobody would have paid 500,000 mln. US dollars for Lietuvos Telekomas. I would like to note that Lietuvos Telekomas was profitable before its sale and profitable after its sale. . . . It is important to note that the development of the telecommunications network took place under conditions of absolute deficit. There was a lack of equipment, cable production, construction materials. . . . When there were no materials, the workers would walk away without work, and when we got materials and equipment, we would also work on days-off, and even then we would not manage on time. What to say about quality here! In order to get cable production, many employees were on permanent business trips. And yet, even under these conditions, the qualification of our staff has improved.⁸⁵

Kuzma not only describes how Lietuvos Telekomas was successful before its privatization due to the hard work of its employees. In this remembrance, he also emphasizes that past (therefore, also Soviet) work laid strong foundations for the current telecom industry, and that he was afraid that this previous work would sink into oblivion due to the allegedly obvious assumption that one should resent the (Soviet) past by claiming, "It seems there is nothing much to be proud of if there was more achieved during these five years than the last five decades."⁸⁶ Kuzma posits that many others industry members acknowledge that this past telecom legacy actually enabled the emergence of modern telecom operator in Lithuania, and that it should not be forgotten due to its occurrence during Soviet times. At the start of privatization, Vytautas Kaušpėdas, the architect and head of the Lithuanian SSR Construction Trust, similarly mourned for the lost status of workers who helped build up the national telecom system: "With the abolition of the Ministry for Communications, having privatized Telekomas, we, old telecommunications workers, found ourselves in a vacuum, like extraneous observers,

85 Kuzma, "Untitled," pp. 114–115.

86 Kuzma, "Untitled," pp. 114–115.

we saw as if the reaper of privatization is cutting off the fates of humans and collectives with a scythe.”⁸⁷

The Lithuanian Trade Union also sent a resolution concerned with employee working conditions to then-Prime Minister of Lithuania, Gediminas Vagnorius. They demanded social guarantees for employees from privatization funds, the privatization of no more than 49 percent of the company and a slowing down of the privatization process.⁸⁸ These topics were also raised in a letter from employees of Lietuvos Telekomas's Kaunas branch to the President of Lithuania, Algirdas Brazauskas, in which employees argued for the acknowledgment of their contribution, criticized the fast pace of the privatization process and expressed dissatisfaction with the company's sale to foreign owners. The narrative of the letter suggests that if Lietuvos Telekomas had remained in state ownership and worker-built infrastructure, telecommunication prices would not rise and employment would eventually increase:

On January 1991, during difficult days for Lithuania, the Soviet aggressors turned first to the communication objects and to the Supreme Council, fully aware of the importance of strategic objects. Telecommunications workers then did not break down and kept the country's arteries in the hands of Lithuania, informing the world about the emerging threat. Without a means of communication, the state would be miserable in the face of such danger, neither would patriotism of the nation help. Lietuvos Telekomas is a profitable company with one million subscribers, successfully implementing advanced technology. So why do we want to give away those profits abroad instead of creating new jobs for our countrymen? After all, these assets were created over the years by Lithuanian telecommunications workers, who themselves worked selflessly for low wages. Most Lithuanian rural communications infrastructure was developed with funds earned by other Lithuanian companies. We are opposed to the hasty sale of Lietuvos Telekomas and propose to not remove it from the list of non-privatized state companies until 2000, so that we can at least partially prepare for civilized privatization. Let us not give foreigners the opportunity to solve their business problems at our expense. Experience has shown that urgent privatization has brought only poverty to Lithuania. A good farmer first gets his yard together, instead of going to serve there after selling his farm.⁸⁹

The negative justifications above criticize privatization as a process that ignored employee contributions, excluded local employees from decision-making, and removed local control. At the same time, these justifications demanded national control of the

87 Vytautas Kaušpėdas, "Untitled," in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., p. 512.

88 Arydas Akstinavičius, Rimantas Dagys, and Algirdas Sysas, "Lietuvos profesinių sąjungų konferencijos 'Skubotas privatizavimas - ar mes turėsime darbą?' Rezoliucija," 1998, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkosios organizacinės veiklos bylų apyrašas: 1, 50: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t, p. 100, Lietuvos valstybės naujasis archyvas (LVNA).

89 Sigitas Jančius et al. to Algirdas Brazauskas, "Atviras laiškas LR Prezidentui p. A. Brazauskui," presumably 1997–1998, DB-24, 1/1530, Kauno miesto muziejaus archyvai.

telecom operator, a reduced privatization process pace, secured work places for industry employees, and the valuation of their past work. Finally, some of these negative justifications carry an implicit nationalist idea that telecom industry development would be successful and fair for workers only if it remained in local hands. Notwithstanding this demand for the valuation of workers' status and national ownership, Lietuvos Telekomas was privatized by TeliaSonera and the majority of Lietuvos Telekomas workers were fired after its 1998 privatization. In fact, in 1998 the Ministry for European Affairs openly announced to Lithuanian Radio and Television Center (LRTC) trade unions that telecommunications workers would be fired over the course of time due to increasing technology automatization.⁹⁰

Moreover, many negative privatization justifications were not only concerned with the role of workers in terms of employee remembrance and secured employment, but also demanded national ownership or criticized new owners. They spoke of the detrimental effects of privatization on Lithuanian society in general, with particular critique expressed toward the potential owners of Lietuvos Telekomas. Some, such as Kaunas Technology University docent Antanas Pociūnas's proposal to the Prime Minister Vagnorius, further suggested selling the company to the people of Lithuania and using the income from privatization to develop local industry and agriculture.⁹¹ Others protested that Lietuvos Telekomas was sold too quickly as well as to foreign, partially state-owned companies, as was the case with state-owned companies Telia and Sonera.⁹² The Lithuanian Cable Television Association complained:

How are public companies of other countries better than Lithuanian companies if the list of potential buyers includes public companies of other countries, including Swedish State Telecom TELIA? Is it possible to imagine that a state-owned telecom operator of one of the European Union countries would buy, for instance, DEUTSCHE TELEKOM, and that would be called privatization and market liberalization?⁹³

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- 90 Laima Andrikienė to Gediminas Vagnorius, "Laiškas," 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 22: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 2 t., p. 176, Lietuvos valstybės naujasis archyvas (LVNA).
- 91 Antanas Pociūnas to Gediminas Vagnorius, "Laiškas," 1998, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 51: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 2 t., p. 80, Lietuvos valstybės naujasis archyvas (LVNA).
- 92 Juozas Jurelionis to Vytenis Junevičius, "Laiškas," 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 21. Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t., pp. 12–14, Lietuvos valstybės naujasis archyvas (LVNA).; Jonas Griėšius to Lietuvos Respublikos Prezidentui, "E-mail," 1998, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 51: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 2 t., p. 82, Lietuvos valstybės naujasis archyvas (LVNA).
- 93 Juozas Jurelionis to Vytenis Junevičius, "Laiškas," 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 21. Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t., p. 12, Lietuvos valstybės naujasis archyvas (LVNA).

In his memoir *Jie kūrė Lietuvos ryšius*, Henrikas Varnas, former Vice Minister of the Ministry of Communications and Informatics and a public official who was involved in privatization process, judged this privatization to foreign companies as having allegedly detrimental societal effects:

In the early months, having bought a landline telephone network, the Finns removed communication exemptions for people with disabilities, for which the budget generously gave away millions for new hosts. The prices of communication services increased every six months. The poor memory of the citizens of Lithuania about Tapio Paarma [first director of privatized Lietuvos Telekomas] is a case in itself. This Finn did not respect neither our country nor its citizens. Such personality has also contributed to the company's bad image and to the mass inhabitant abandonment of the fixed landline telephone. Telecom estimated millions in profits, and ordinary residents avoided calling a clinic, a shop, a bus station.⁹⁴

In addition to critique of workers conditions and ownership relations, negative critical negotiations also stressed the technological and regulatory drawbacks of privatization. One of these was particularly concerned with tariffs. Many organizations, including the Lithuanian Cable Television Association, the Association for the Physically Disabled of Lithuania and the Kaunas University of Technology Trade Union, issued official complaints against the Ministry for Communication and Informatics's plans to raise telephone tariffs.⁹⁵ Additional critiques also included the reduction of network access points in less profitable regions by Lietuvos Telekomas and the temporary (1998 to the end of 2002) monopoly rights provided to Lietuvos Telekomas for general fixed telephone communication services. One industry participant, a former Lietuvos Telekomas employee Mindaugas, complained that Lietuvos Telekomas closed down many network access points because they were not profitable enough. He stated that "what really annoyed me when working for this private company is the [situation] that there

94 Henrikas Varnas, "Untitled," in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., pp. 220–221.

95 K. Paulauskas, "Kauno Technologijos Universiteto darbuotojų profsąjungos atskaitinės konferencijos pareiškimas, Dėl numatomų telefono ryšių tarifų," 1998, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 50: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t, p. 64, Lietuvos valstybės naujasis archyvas (LVNA); S. Vesko to Ryšių-Informatikos ministrui, "Laiškas," 1998, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 50: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t, p. 63, Lietuvos valstybės naujasis archyvas (LVNA); Juozas Jurelionis to Vytenis Junevičius, "Laiškas," 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 21: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t., p. 13, Lietuvos valstybės naujasis archyvas (LVNA); Antanas Pociūnas to Gediminas Vagnorius, "Laiškas," 1998, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 51: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 2 t., p. 80, Lietuvos valstybės naujasis archyvas (LVNA).

is no Lithuania and no Lithuanian interest, there is only business there.”⁹⁶ While a telecom operator’s desire to optimize and profit is not surprising in a profit-oriented market economy, in the Lithuanian SSR it was an exception. According to the memoirs of telecommunications industry worker Algirdas Valiauga: “At those times, telecommunications companies were budget-financed, so there was no need to look at profitability. To make it more convenient for people, [they] attempted to open up telecommunications sections in every larger village. Almost every year, we opened a telecommunications section.”⁹⁷

Another technological impediment concerned the unclear fate of nation-wide underground communication channel access, as briefly presented in the beginning of this chapter, because after its privatization Lietuvos Telekomas became the sole owner of the majority of underground communication channels in Lithuania. According to Tomas, a telecom company employee, privatization was painful for them because

the most valuable thing that existed was sold: the whole infrastructure of Lithuania was sold. It means that all the channels in which the cables are laid fell into the ownership of someone for a symbolic price. And they began to dictate their conditions. . . . now there are more obligations that they have to do, there are reservations as to why they may not do it, and there is a certain amount of hardship going on all the time, all the time we are forced to pay, for example, rent.⁹⁸

According to the 2011 Communications Regulatory Authority report, it is difficult for other telecom operators to lay new underground channels because it is either economically not feasible or physically impossible due to existing dense settlement structures.⁹⁹ These conditions leave the privatized Lietuvos Telekomas (currently Telia Lietuva) in charge of huge physical underground communications channels infrastructure that they need to rent to their competitors. This is the reason why emerging telecom operators throughout the 1990s and later wanted access to this underground system, but they were unsure how the now-private main telecom operator would provide this access. In light of this, multiple telecom stakeholders from the fields of business, academia, and politics became explicitly concerned with other market players’ access to this underground system after Lietuvos Telekomas’s privatization. A letter from the Lithuanian Cable Television Association (LCTA) to the Director of the Privatization Department at the Ministry of European Affairs, Vytenis Junevičius, on 20 August 1997, is illustrative of this critique of future uncertainty. The letter was written for an upcoming interview in LCTA’s *Kabelinė Televizija* magazine. In it, the LCTA claims that telecom operators are in a state of complete fear due to the unknown future of underground communications channel sharing policies:

96 Interview with Mindaugas, 7 February 2018.

97 Algirdas Valiauga, “Untitled,” in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., p. 426.

98 Interview with Tomas, 27 March 2017.

99 Lietuvos Respublikos Ryšių Reguliavimo tarnyba, *Didmeninės (fizinės) tinklo infrastruktūros prieigos (įskaitant iš dalies ir (arba) visiškai atsietą prieigą) fiksuotoje vietoje rinkos tyrimo ataskaita*, Nr. (43.4) LD-1087 (Vilnius: Lietuvos Respublikos Ryšių Reguliavimo tarnyba, 2011), p. 39, <https://www.rtt.lt/d/didmenines-vietines-prieigos-fiksuotoje-vietoje-rinka-2/>.

Lithuanian cable television (KTV) network companies, so-called operators, have contracts with LIETUVOS TELEKOMAS for the lease of underground telephone canalization. Most of the contracts are signed for an indefinite term—‘until the privatization of LIETUVOS TELEKOMAS’, thus demonstrating that they do not provide any long-term guarantees. Operators are afraid that after privatization of LIETUVOS TELEKOMAS the conditions and prices of telephone canalization rental may change so that cable TV networks will remain ‘overboard’, i.e. there will be no new contracts (arguing for canalization cross section filling), and contracts that have been signed can be terminated quickly or operators will have to opt out themselves due to higher rates and will be forced to install their own cable canalization.¹⁰⁰

A 2011 market report by the Communications Regulatory Authority claimed that TEO (previously Lietuvos Telekomas and currently Telia Lietuva) has a significant market influence, the best funding opportunities to develop a new generation access network, owns the biggest communication cable channel system, and has the biggest amount of fibers for fiber-optic lines.¹⁰¹ Based on this research, the CRA issued legislation for TEO that includes a provision for other telecom operators to gain access to their infrastructure,¹⁰² although according to Nedas, a Communications Regulatory Authority employee with whom I communicated via email, telecommunications cable channels have theoretically been shared amongst all operators since 2002.¹⁰³ Interestingly, Joris from Telia’s Head Office stated that while Telia Lietuva has to follow special requirements issued by the CRA due to its significant market influence, other telecommunications operators are not regulated in the same manner:

So, if that smaller supplier builds some sort of communications infrastructure, and we now have customers suddenly asking us to provide services there, we say, ‘We don’t have the technical capabilities.’ Okay, what do you need to have the technical capabilities? Then we come and say to that supplier: ‘I ask you to rent us this inlet, this pipe,’ and we are often told ‘No, we will not rent to you.’¹⁰⁴

Thus, while privatization was criticized by other telecom providers in the industry as an event that could cause them to lose access to physical underground communication channels and therefore also their business capacity, this fear has been tamed by the Communications Regulatory Authority’s contemporaneous legal demand that Lietuvos Telekomas provide other telecom operators with access to main underground infrastructure channels.

100 Juozas Jurelionis to Vytenis Junevičius, “Laiškas,” 1997, Lietuvos Respublikos Europos reikalų ministerija (LVNA), 16, Tvarkomosios organizacinės veiklos bylų apyrašas: 1, 21: Viešo konkurso komisijos ryšių įmonėms privatizuoti dokumentai (susirašinėjimas su užsienio firmomis, privatizuojamų objektų dokumentai ir kt.), 1 t., p. 13, Lietuvos valstybės naujasis archyvas (LVNA).

101 Lietuvos Respublikos Ryšių Reguliavimo tarnyba, *Didmeninės (fizinės) tinklo infrastruktūros prieigos (įskaitant iš dalies ir (arba) visiškai atsieta prieigą) fiksuojoje vietoje rinkos tyrimo ataskaita*, Nr. (43.4) LD-1087 (Vilnius: Lietuvos Respublikos Ryšių Reguliavimo tarnyba, 2011), pp. 40, 49–50, <https://www.rtt.lt/d/didmenines-vietines-prieigos-fiksuojoje-vietoje-rinka-2/>.

102 Lietuvos Respublikos ryšių reguliavimo tarnyba, *Dėl ūkio subjekto Teo Lt, Ab, Nr. 1V-629*.

103 RRT, e-mail message to author, 11 April 2019.

104 Interview with Joris, 1 March 2018.

In the telecommunications industry stakeholder book of memoirs *Jie kūrė Lietuvos ryšius*, I also found multiple positive critical negotiations regarding privatization. Some of the memoirs describe privatization as a process that resulted in the modernization of physical network infrastructures, improvement of technical standards and employee skills, and expanded private user access to telecom networks.¹⁰⁵ The remembrances of Gintaras Adomaitis, a telecom industry worker, are illustrative of this perspective. Adomaitis claims that changes induced by privatization are part of an ongoing process of evolution: “Tempta mutantur, et nos mutamur in illis—the times are changing . . . so are we. The Company itself changed . . . New technologies, new telecommunication services, new executives, new ways of thinking stormed into the company of TEO LT. . . . Now, working for the Company [means] ongoing challenges, a quest for continuous improvement.”¹⁰⁶

Indeed, with the help of consultants from Telia and Sonera and incoming investments, the company optimized its network, sold its unused real estate, renovated its buildings, digitalized its stations, exchanged and expanded its broadband Internet access data transmission lines.¹⁰⁷ Users additionally received long-lacking private access to a telephone network. Industry practitioner Vilimas Kulbė claims that Lietuvos Telekomas followed the logic of rational optimization and profitability. He states, “The new equipment was not installed . . . on the basis of what can be obtained, but only after making sure it was not unprofitable.”¹⁰⁸ Kulbė argues that after privatization, Lietuvos Telekomas decided to abandon an only slightly transformed Soviet accounting and analysis system and raise technical standards. Kulbė remembers how he was responsible for the development of higher standards for fixed asset depreciation rates against the backdrop of norms in the Swedish and Finnish telecommunications industry. He states that, “The old norms predicted that equipment such as cable and overhead lines would be fully depreciated only after 25–30 years. The new ones, demanded by the owners, foresaw only 5–7 years. The aim was to renew the technical economy as soon as possible.”¹⁰⁹ Thus, public officials such as Ūsas described the company that emerged after privatization as strong and modern, providing multiple technological solutions and retaining skilled employees.¹¹⁰ Additionally, the company’s respect for local culture was stressed in *Jie kūrė Lietuvos ryšius*, in which Romualdas Degutis writes about worker assemblies at the privatized Lietuvos Telekomas, which summoned “thousands of the company’s employees and their family members”¹¹¹ to celebrate together. This positive justification of Lietuvos Telekomas’s privatization stressed that it was a result of on-

105 Degutis, “Untitled,” pp. 409, 404–405; Varnas, “Untitled,” p. 230; Vilimas Kulbė, “Untitled,” in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., p. 271; Gintaras Adomaitis, “Untitled,” in *Jie kūrė Lietuvos ryšius*, Basevičius, Kuzma, and Žintelis, eds., p. 450; Interview with Mindaugas, 7 February 2018.

106 Adomaitis, “Untitled,” pp. 450–451.

107 Degutis, “Untitled,” pp. 404–406, 409.

108 Kulbė, “Untitled,” p. 271.

109 Kulbė, “Untitled,” p. 271.

110 Ūsas, “Untitled,” p. 230.

111 Degutis, “Untitled,” p. 410.

going progressive change needed by Lithuania's telecom industry in order to grow and evolve.

An exploration of critical negotiations regarding Lietuvos Telekomas's privatization reveals not only how it was criticized, but also how these critical justifications simultaneously complained, praised privatization, and strived for their future vision. Some of the justifications regarding privatization described it as positive due to its quest for the improvement of technological equipment and expanded user access. These statements were built upon an idea that change is immanent, unavoidable, and progressive, as well as the belief that adaptation to change is necessary. The changes were described as positive because they brought about a new type of thinking, new technical standard quality, and new user communities. Statements of privatization as a necessity followed an implicit idea that privatization would solve both immediate budgetary problems but also enable Lithuania to become a member of the European Union. Privatization according to necessity thus followed not only a pragmatic vision of solving burning societal issues such as lacking budgetary funds, but also served as an explanation for how to become European, although only in the future: first privatize, then become European. This justification is reminiscent of the claim of organization scholars Pučėtaitė and Vasiljevas, who state that the government during privatization was not only interested in immediate societal problems, but also beginning to form its pro-European politics, which included market liberalization and privatization.¹¹² Finally, negative privatization justifications aired multiple problems: forgotten past labor contributions in a constantly changing industry, fired employees, the sale of the main telecom operator to another state under the banner of privatization, the privatized Lietuvos Telekomas's disregard for societal realities in their increase of tariffs during economic hardships, and the potential technological exclusion of competitors. Although these negative critical judgments were diverse, their similarities lay not only in their negative critical perspective toward privatization, but also in how they hint at a vision of societal well-being that was supposedly hindered by this process. According to this critique, societal well being could be reached by fostering a remembrance culture of Soviet era telecommunications workers whose past work contributed to the telecom operator's current value, but was forgotten in Lithuania's attempt to come back to Europe and dissociate from its Soviet past. Additionally, it was stated that involving citizens in the privatization process, informing them about the proceedings, and taking their issues seriously, such as their incapacity to pay for increased tariffs, could help foster this future vision. Moreover, well being could be nurtured by establishing a rigid telecommunications industry regulation system that would manage the equal participation of market members. Some justifications narrated well being in national terms, especially positing that the sale of the main operator to foreign state-owned companies would be detrimental. The diversity of these critical negotiations illustrates how Lietuvos Telekomas's privatization, which caused the state-owned giant to emerge and develop as a privatized business venture, was encapsulated in justifications that not only scolded or praised this process, but also strived for contradicting futures in terms of adaptation, Europeanization, and national

112 Vasiljevas and Pučėtaitė, "Suinteresuotųjų grupių vadybos problemos privatizacijos ir tarptautinio verslo kontekstuose," p. 42.

control, alongside calls for fair privatization that included taking local societal conditions seriously.

4.4 Chapter Conclusions: Critical Negotiations

Via such cases as Lietuvos Telekomas's privatization involving intensive critique, it is possible to see how infrastructure development is not a clear and linear undertaking, but is rather stretched into many different directions due to its inherent future visions, which are both implicit to justifications and imply that developments could be done differently. These justifications are multiple, contradictory, and illustrate how critique has the possibility to not only judge negatively, but also to actually present different incommensurable, and even positively-charged, critical justifications and visions of the future.

Lietuvos Telekomas was privatized in 1998 during the second phase of privatization in Lithuania, which allowed foreign companies to privatize Lithuania's assets for cash. The critical justifications that I encountered during fieldwork regarding Lietuvos Telekomas illustrate that the development of the Internet as infrastructure has been a process comprised of contradictory justifications. Three motifs of privatization critique thus form a kaleidoscope of critical justifications that not only judge privatization, but also hint toward a vision of a possible future that is more progressive in terms of fair labor relations, has the capacity to adapt to new circumstances, and is both national *and* European. The development and maintenance of the Internet as infrastructure in post-socialist Lithuania thus also means practicing ongoing acts of critique and using incommensurable disagreements to strive for different futures, which are articulated in the case of privatization in terms of local adaptation, endurance, and resistance. I also use this case to illustrate how a situated exploration of the Internet as infrastructure needs to focus on critical negotiations, because infrastructure is not only maintained by labor practices and framed by geopolitical imaginaries, but also emerges as a site of societal struggle connected to different future visions. Thus, infrastructure is not only developed via a clear plan over the course of time, but is rather the result of ongoing stakeholder critique, which continually exists and frames infrastructural developments despite being most visible and concentrated throughout crucial industry events. In the case of Lietuvos Telekomas, critical negotiations regarding privatization presented different future visions despite the fact that the company was privatized to a Swedish-Finnish state-owned consortium, the majority of employees were eventually fired and the legacy of past employee work has not been celebrated. On the other hand, industry regulation has improved against the backdrop of the Communications Regulatory Authority, which was established due to the provisions of the local Telecommunications Law and European Union. Thus, while critical negotiations of privatization were diverse and provided multiple future paths, not all of them came to fruition. Despite this, a focus on critical negotiations during crucial industry moments of change that is visible and palpable, due to its intensity, illustrates how infrastructural developments should not be taken for granted, but are rather built upon distinct, diverse justifications of multiple stakeholders and their visions of the future.