

“During the last decade, Estonia has sometimes been in the position of a wonder child. Today we've come back to earth,” President Toomas Hendrik Ilves said at today's presentation of enterprise awards, which was organized by Enterprise Estonia, the Chamber of Commerce and Industry, and Estonian Employers' Confederation. “Have we missed something or done something wrong? Or does it not depend on us at all and is inevitable?”

Estonia's success to date has largely resulted from advantages that were bound to disappear like cheap labor and a low debt burden. These were the advantages of a transitional economy over mature economies, but they were temporary by nature, and had to be used to the maximum, the Head of State said. He added, “However today's economic situation—and this even without the problems of the world economy—seems to indicate that one does not become one of the richest countries after successfully completing just one exam. More is needed.”

President Ilves recalled that the successful resolution of our Nordic neighbors' economic problems at the beginning of the 1990s created the foundation for their current success and these countries are among the few countries in Europe today that have successfully resolved social questions, labor market policies, and their state budgets are sustainable even under conditions of an aging population.

“However, the basis for all this was their economic productivity, which in turn was based on their innovation, good education and high level of technology,” the Head of State said.

“One also cannot forget the low level of corruption resulting from the great transparency of their societies, because the less corruption the better the economy.”

According to President Ilves the structure of the Estonian economy has remained relatively unchanged and with the current economic structure it would be very difficult for Estonia to become a truly developed country.

“The economic structure is not something that can be changed overnight or by decree. It must be backed up with thorough and meaningful long-term work, by taking one's own needs and those of the world into account,” the Head of State said. “This definitely means investing in

education, research and development. This may also mean a need for changes, not only in investments, but also more generally in value judgments.”

“Now is not the time for accusations or finger-pointing, certainly not between politicians and entrepreneurs who in a democratic society must be partners,” President Ilves said. “Mutual accusations and constantly recalling possible miscalculations will not move Estonia forward. However, we must move forward. Pessimism, getting disoriented or looking for scapegoats would just nail us in place. This in turn would mean lost time and lost opportunities. We don't have time to lose time.”

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