

Dear Ministers, dear President,
Commissioner of the CEC,
Members of the Riigikogu,
Ladies and Gentlemen.

Let me first take a look at our recent past, our recent history. For a historian, the time 15 years ago, the year 1992, is probably not proper history yet. Still, less than one generation back, we were looking at a completely different society in a completely different economic situation. The change has been so overwhelming that in many cases, we feel incapable of and unequal to remembering it in detail.

In some parts, it seems quite unbelievable. Looking at the documentaries from that time, we recognise familiar faces, albeit somewhat younger, but not the space in which they moved those days.

Fifteen years have passed since the re-adoption of the Estonian kroon, as well as the restoration of the constitutional statehood of Estonia. The world those days was very different from now. The Estonian kroon was contemporary with anarchic chaos in our economy and vast changes in the social and political order of Europe. The 12 members of the European Economic Community had just signed the Maastricht Treaty. Three years remained before Finland, Sweden and Austria would accede to the EU, and eight till the birth of the common European currency, the Euro.

At the time, 15 years ago, the opportunities of the European economy in global competition were not discussed in Estonia. Instead, people were racking their brains over Estonia's outlook of managing economically on her own. We heard the heavy, ominous pre-collapsing sighs of the regulative state economy. There was a shortage of everything, except perhaps roubles that no longer had any value.

We can be genuinely glad that in a mere 15 years, the nature of questions we seek answers to

has changed so completely. That does not mean that the answers are simpler now. Rather to the contrary. The preconditions that enable us to pose questions natural to a developed country have on the one hand been created by economic success that proved greater than estimated by any forecast. On the other hand, they were created by the understanding that in the modern world, the success of a small country depends not only on the small country itself, but also on a much larger space surrounding it. Therefore, Estonia's success cannot be viewed separately from the welfare of the entire Baltic Sea region – on a narrower geographic plane – and the success of the entire European Union on a wider one.

Ladies and gentlemen,

Despite the great changes mentioned above, the key question for Estonia has remained the same. How shall we manage in the tightening competition? What is the optimal way for Estonia, considering our still quite modest resources when compared to the giants of the global economic space?

The Estonia of today is not rich, yet it is by far not a poor country. The growth of wealth and welfare is robbing us of our former advantages, e.g. cheap labour.

The current assessment of Estonia's international competitiveness is quite positive: *International Institute for Management and Development* rates us as the 22nd on their list. Estonia's monetary policy and Ministers of Finance are set as examples even to more successful countries.

Some of the sources of our economic success – the stable monetary system and responsible and conservative budget policy – must be maintained also in the future. Yet there are more and more new issues coming up. Above all, we need new awareness of values in the areas of education and innovation, but also in human capital. Furthermore, we and our partners have to solve the issues concerning the future of energy and energy security. These issues are becoming more and more acute for every country, every business, and each and every one of us.

Finally, let me address and thank all those whose wisdom and persevering work brought Estonia, a country that had just restored her independence, back to her own currency 15 years

ago. It is these men and women we should address as the authors of one of the most brilliant economic success stories of Europe in the last two decades. Just as they did then, we know today that money is only means, not an end in itself. It is the means for Estonia and the Estonian people to develop and prosper, to be happy and safe.

Therefore, proceeding from the long-term interests of Estonia, I would be glad if already in the near future we could dedicate historical conferences and not economic forums to the Estonian kroon. By our values, and politically, we are part of European Union today. It is time to get there also economically.

Thank you for your attention!