

Dear people of Estonia at home and abroad!

Here, in the hall of the Bank of Estonia, the first Government of the Republic of Estonia set to work on 24 February 1918. We have, therefore, been building our country for nearly 90 years. And when building was impossible, we held on to it. In our hearts and in our minds.

Jaan Kross, a man who held on to Estonia in his heart and mind, has said, I quote:

"How many among the peoples of Europe still have unsatisfied or entirely hopeless claims of independent statehood? Peoples who have missed their chance of success, the rare opportunity of statehood that history so seldom offers, or are still hoping for it."

We are a fortunate nation. Once more, we have cause to feel more secure in our state, our culture and ourselves than ever before. A secure state, building upon the law, looks its citizens in the eye. A secure state is both open and safe.

The closing year was a year of trust. A year when our trust was put to the test, but also reinforced.

We are wiser now. Today, we know that order and stability in Estonia can only be ensured hand in hand with democracy, freedom of speech, and freedom of opinion. We know today that we will never be let down, as we stand side by side with our allies and friends.

We have been trusting and trusted. When travelling in Europe, in our true spiritual home, we no longer need to present a passport on the borders to prove that this is where we belong.

Dear fellow countrymen!

Here, in the hall of the Bank of Estonia, it is appropriate to speak of Estonian diligence and enterprise, qualities that add to our confidence about the prospects of the Estonian economy.

Free market economy involves development and change. This is why rapid economic growth, characteristic of transition economies, has now stabilised into a steady rise. Let us accept this and keep this in mind.

Yet we must not attach disproportionate or false qualities to our now more measured economic growth. We must not believe those foreboding crisis and crash. They are making an overstatement and a mistake, they mislead and discourage. They are wrong.

In the future, the Estonian economy will grow in a more balanced manner. That is no surprise. This growth is regulated by the laws of economy, but also by the global economic situation.

The five or six per cent growth rate expected for the new year means that Estonia is no longer racing, but still making good progress. Better than Europe on the average. Estonia is doing well.

We could evaluate other particulars of the Estonian economy with equal balance of mind.

First, and most important: the rate of the Estonian kroon is steady. That was decided already 15 years ago, when Estonia made the choice for the present monetary system. To portend devaluation is incompetent, is false play. The note of lucrative interests rings too clear in the talk of harbingers of trouble.

They mean to create mistrust in the future of our country. Just like those few nights in April were meant to create panic and insecurity. That failed, because our trust in the Estonian state was strong. We had the balance of mind to ignore trouble-mongers.

Tomorrow, just as today, the Estonian kroon will be the Euro in Estonian national costume. Our currency has served us well. And it will serve us well also when we dress it in Euro-robles in a couple of years.

Second, inflation is unusually high and will remain so throughout the first half of the coming year. Prices are going up all over the world, Estonia is far from unique in this respect.

Moreover, we wish and need to pay our employees better, and ensure our elderly with a better pension. This will inevitably increase prices.

Indeed, inflation tempts us to spend. But let us think again. Just as we don't heat the house in summer to keep it warm for winter, Christmas feasts won't feed us up to midsummer.

Instead of daily spending, money could be used to serve future profit. Let us invest in our own or our children's education, in our health and environment, let us make our homes beautiful.

Third: it is wise to note that just as being a shareholder did not inevitably make everybody a big stock exchange shark a couple of years ago, not everyone has become a real estate developer today. Still, many have built new homes in recent years. We live there, we are happy, we do not see our homes as lucrative real estate.

Let us therefore see the current economic situation as a time for new goals and also contemplation. We need to build a basis for the economy that no longer has the asset of cheap labour, but has instead the asset of brain potential and efficient use of the latest technology. Estonia is capable of reorganising her economy; we did it once, when restoring our statehood, and in a much more complicated situation.

Estonia has the preconditions for future economic success. Estonian children are very intelligent, as the recent global education quality research tells us. This is a credit to our teachers and the attitude in our homes. Yet the prospects of future economic life can only be fulfilled when intelligence is put to better use in working life than it is today.

Dear people of Estonia!

In the New Year, we shall proudly celebrate the birth of our nation 90 years ago. Let us consider the many events, all the tragedy and goodwill, all the trust and love in the life of our nation, the life we all share.

And hence my genuine appeal to you, dear fellow countrymen: let us appreciate and acknowledge each other. In a moment – when the night is brilliant and booming with fireworks – take a brief pause. Look at your family, your companions. Thank your wife, your husband, your children, your mother and father. Take a friend's hand and say: you are a good man, a good woman.

And finally, when the New Year festivities are over, say to yourself what an actor said to me when I congratulated him on a remarkable success on stage. He replied: long live Estonia!

Happy new year, dear Estonia, this will be a year of celebrations. Happy and prosperous New Year, dear people of Estonia!

Long live Estonia!