

Dear Riigikogu, ladies and gentlemen,

Today, when addressing you, I could have chosen the easy way out and spoken at length about the financing of political parties and passed harsh judgement, and I would have been applauded by the vast majority of the public and the media.

I will indeed speak about political parties and money, but I will do so a little later, from a different angle.

First of all, I shall, however, do something that will not be praised. I praise you, honourable members of the Riigikogu, for what you did here some ten days ago when you ratified the European Stability Mechanism in the name of Estonia.

Later on I shall return to why the treaty is necessary. But for now, I wish to say how impressed I was by the way the Riigikogu organised its work, defying the opinion that the Estonian Parliament had been reduced to silently approving the Government's draft bills.

According to our Constitution, the people have delegated their power to you, ladies and gentlemen, and you used this power. You substantially and thoroughly changed the document you initially received. You weeded out the characteristics of vicious legislation, something that in times past both I as well as many legal experts have accused the Parliament of.

I thank you for that.

Dear Riigikogu, dear Estonian people,

In today's world, no country can provide its people with wellbeing and safety on its own. Not the

United States of America, not China, not Russia, nor Germany. Whether we like it or not, economic and security issues are decided in a union of states.

It is in this kind of a world and now that Estonia must make its choices. We cannot change the general rules of the world, we cannot change our geographical location, but we do have the right to vote and speak our mind in the union of states that we belong to.

Could Estonia keep to itself, keep aloof from Europe, and yet not lose its independence again, not fall back into a foreign culture and misery? The answer is no. A strong Europe is in the interests of Estonia and all other small countries, a Europe that also takes into account the national identities of small nations.

Accordingly, our only option is to choose the best partners. And Estonia has chosen the best partners. We need peace, freedom, and a European culture of solidarity.

All states strive to keep other countries that share their aims and mentality close to them. They compromise regardless of their size and wealth.

The European Union has been our goal for the past twenty years. This ideal – to return to Europe, our historical home – drove us for around fifteen years, to build our state to fit the European pattern.

Have we done well?

Yes, I think we have. Estonia has done better than most other countries and nations that had the same opportunity, more than two decades ago, to choose their own destiny.

I shall not start to calculate like an accountant how many billions of euros we have received from the European Union and how many we have given back in return.

Money is important, but a European way of life and the accompanying values that govern our society cannot be calculated in merely monetary terms.

I am aware that we increasingly tend to take our achievements for granted. Many believe that the Estonian Singing Revolution brought down the Soviet Union. Many believe that our sustainable policies show the way for all our European friends.

For a moment, let us forget this self-centred evaluation of success, despite the fact that there is more than just a grain of truth to it. And let us accept that we are where we are today thanks to our membership of the European Union, NATO and the eurozone. Through these institutions we have developed good friendships, alliances and partnerships. Let us judge all this honestly and then think, and think hard, about whether we would be prepared to give it all up. Which could even happen by weakening the European Union and the eurozone through our decisions.

Dear Riigikogu,

The aforementioned ESM debate was overshadowed, both here and in almost every home, by a very simple, emotional and deceptive question: why should Estonia, who in the eurozone context is comparatively poor, pay for the lack of fiscal discipline in richer countries that live beyond their means? And at whose expense would the money be paid out in the eventuality that it would be needed?

If misconceptions have reached such proportions, then we have all failed to do something. And at this point, honourable members of the Riigikogu, I would like to ask you seriously: have you consistently explained to your electorate what the ESM is, what it means for countries on the verge of bankruptcy and – most importantly – for us?

If the explanations had been good enough, misunderstandings would not have been as extensive.

In the end, we must ask ourselves: does Estonia benefit from belonging to the euro area or not, and whether a strong and united European Union is in the national interests of Estonia.

My answers to these questions are clear and unambiguous: yes, Estonia benefits from a strong and effective European Union. Yes, being a member of the eurozone – and logically, the continuing existence of the euro area – is in Estonia's interest?

Even if the goal were only to restore the confidence of foreign investors and to get rid of the threat of devaluation which would have resulted in a considerable number of people losing their homes. We cannot sell our goods and services if our partners are bankrupt. If we cannot sell, there's no point in producing, and if there's no reason to produce, then there are no jobs. If there are no jobs, there's no wellbeing, and even redistribution wouldn't help because the state's budget will have been reduced to the point of nothing.

People ask rational questions: could Estonia have acted any differently? More prudently? Could we have looked to the future more wisely? Is there an alternative?

The Estonian people set an example by being educated and wise; the Estonian people deserve an honest explanation, for we are all really worried.

Unfortunately, eurosceptics and those against the ESM have failed to formulate a single rational alternative for Estonia.

When we look at the Estonian recovery from the global financial and economic crisis that began in 2008, it is impossible to overlook the facts that contributed to the recovery.

I first of all mean money, something very practical: the fact that Estonia got to use the European Union's budgetary resources, and also used this money well, saved our country and economy from the worst.

Secondly, our geographical location and our trading partners. Estonia was helped by how quickly our entrepreneurs adapted to the changed circumstances, and by the fact that our goods are mostly bought in Finland, Sweden and Germany, in countries that were relatively lightly shaken by the financial turbulence and economic woes.

To speak about these matters, about the meaning of our belonging in Europe, is not only the President's duty, but the primary responsibility of each politician. We may be certain that the future of the European Union and the eurozone will be talked about very, very much in the coming years. Let us be active participants in these debates.

Ladies and gentlemen,

In relation to the financial crisis, it has often been said that it was primarily a crisis of values and trust. Money, and the banking sector more generally, are based on trust. If too big risks are taken with only short-term profit in sight, trust evaporates and the system collapses.

Trust in banks is lost. As is trust in those countries that live on loans.

Trust is lost in countries that promise, but fail to deliver. Trust is lost in those who have not been honest in their accounting.

Now we see the bitter fruits of dishonesty and living beyond one's means: business partners were lied to, as were banks who lent to governments that lacked honest monetary and economic policies. Those loans were not used for innovation, but for current expenditures.

The true productivity of those states' people, their incomes and their false wellbeing that was based on borrowed money were emphatically contradictory. We all know, as the old Estonian saying goes, that borrowed bread and a fire made of wood chips do not last long. This means we have no reason to be jealous of the states that are in trouble, or of their citizens.

A crisis of trust has broken out in their countries too. States and peoples are also based on trust. This especially applies to small nations and societies, Estonia among them.

Compared to those who share our fate, Estonia has done well during the decades since restoring our independence. Some interpret our success as based on the survival, during the years of occupation, of a generation that preserved the ideals of independence. Some refer to our national identity, or to a civil society that managed to outlive the Soviet system.

No less important is the Estonian peoples' faith in their own country, family and fellow citizens, as well as their will to contribute daily through honest work to the wellbeing of our people. We have had faith in our country and, despite the fact that today this may sound alien, we as a nation have trusted the people who we have elected to run our state.

We have had more trust in our political system than many other nations that shook off the shackles of Soviet occupation at the same time as we did. And if we look around in Europe, we see that here too our trust in our state is one of the highest. And this also goes for trust in the European Union and the eurozone.

This trust is our greatest asset, our capital. For we see what is going on in those countries where trust is low. We must preserve this trust, this capital, in spite of all difficulties and temptations.

Dear Riigikogu,

Responsibility to preserve this trust lies with each Estonian, each citizen, artist, businessman, or lorry driver on the Tallinn-Tartu highway. But most of all this responsibility lies with our politicians, at all levels of authority. The President is responsible, you, dear members of the Riigikogu and the Government, are responsible, each representative of local government is responsible, as is every elected official.

Any gambling with this trust weakens, undermines and damages Estonia, and in the end this can destroy our common state. The people certainly have not delegated their power to any

elected official to do this.

And that is why I am worried when connections between money and politics are no longer impeccably clear and transparent. It worries me when the electorate and the people begin to suspect that political parties and their representatives in government offices follow their own set of rules, rules that only they know about and that only apply to them.

If people think that authority is some sort of closed caste, clan or cartel, it no longer is the Estonia of our dreams.

The places of authority cannot be closed in a free society. On the contrary, healthy competition, honest criticism, and clear responsibility must remain in place. The system whereby political parties are financed, the organisation of elections and the Parliament's working rules have started to limit competition; moreover, a sort of corrupt type of competition has emerged in elections. The Estonian people do not like this. And rightly so.

There's too much mistrust and disappointment, especially this year. Anger ensues. It is with concern that I follow the tone and emotion that dominates in the exchange of opinions between the Government and the media.

At times it seems that the aim is no longer to explain the choices that the development of our state is faced with, but instead to hurt each other. On purpose. And as much as possible.

I have recently read quite a lot on how in the United States of America, which is preparing for presidential elections, the escalation of reprimands, taunts and insults between the media and politicians, and between politicians themselves, has destroyed the possibility of compromise, essential compromise, that the country and people desperately need to get out of their difficulties.

Sentences are torn from their context, mud is slung and talking to each other becomes impossible. No-one listens to substantial arguments; debates have turned into political point scoring competitions.

Dear Riigikogu, dear Estonian people, are we not headed in the wrong direction?

At one point this becomes a spiral of decline. And with it comes contempt for our political system, democracy, and the Estonian state. The result is what we have read in history books and what we see happening in many countries that – not coincidentally – sink ever deeper into the mire of economic crisis.

For if the state is no longer considered to be one's own, to be trustworthy, its citizens lose the will to have anything to do with it, to interact honestly with it. He who most cunningly tricks this state, and the politicians and officials who represent it, becomes the hero.

Dear friends,

Just as Estonia is ours, so Europe, with all its troubles, is ours, and that is how we must regard the matter. With care and responsibility, as is proper in free people. By taking responsibility for our words and actions, we keep the freedoms and democratic advantages of our state.

Among them, we maintain our freedom to criticise politicians, who have sometimes failed to choose their language wisely, as well as the state authorities without having to fear punishment for doing so.

But let us reserve this criticism for when politicians and the state authorities really have given us occasion to do so. For instance when our elected representatives – at whatever level of authority – treat citizens with disrespect, fail to listen to either their justified or unjustified complaints, or refrain from explaining their decisions.

In such a case detachment from the state and dissatisfaction with authority become inevitable.

If politicians complain that they are being picked on, then often one can say, yes, it's true. But it is usually the outcome of prior attitudes, a cumulative distaste that in the end results in overreaction. It can be inappropriate in singular cases, yet when taking the prior and broader context into account, it is unfortunately only to be expected.

Dear fellow Estonians,

In a democratic state, if the state fails to take its citizens into consideration, the blame always lies with both sides. If the free citizenry and the voluntary sector do not act – and instead excuse themselves and shirk responsibility while saying "I don't do politics," or "if a change for the better in my surroundings means that I too change, into a politician!, then may God protect me from that" – then in such cases the actions of those making decisions for us remain infallible.

As citizens and free people we have the right to be disappointed and critical.

But we do not turn our backs on Estonia, on our country. And here we, only we, decide what kind of political culture and atmosphere we want.

A Byzantine atmosphere of fear in which citizens are considered state property and slaves?

Or cunning attempts to twist laws to conform to politicians' whims which then become an example for the whole of society?

Or do we, as it seems to me, want and demand – and I really do mean demand and work for – a truly Nordic honesty and transparency, in which the state is our common property.

And here comes my response to the day's pressing question on whether a certain minister should resign.

He has no direct obligation to do so. The investigation is on-going and there is no knowing whether the case will make it to court or not. There are numerous examples from other countries, including from the European Union, in which ministers, as well as prime ministers and presidents, have for years been under investigation, yet have not resigned.

It's up to the minister, his colleagues and his party. I hope that they are all aware that when making this decision they are shaping Estonian political culture. The way in which Estonia is run today and in the future. Whether authority and government are trustworthy. And trust, as I said before, is Estonia's capital. Squandering it is unacceptable.

Dear Riigikogu,

Everything is not well with the question of trust in Europe. And so we must worry about things that only yesterday seemed certain.

But first and foremost, we must worry about keeping Estonia in the best shape. On the right path, if you will. We must restore trust as completely and as swiftly as possible: we must end this culture of outdoing each other by base means, we must respect and pay as much attention to our people as possible, find a way to support those who are in need, and to reaffirm their trust in Estonia's future.

This high hope and task is something that our people have always understood, even without saying.

I thank you.