

Ladies and gentlemen,

Along with the "Kärajad" think-tank and the Estonian Cooperation Assembly I have invited you to discuss what all Estonians, citizens, the government and parliament alike, should do in order to ensure that we may be able to sustain our country in 20 and 30 years' time. A time when we can expect to have fewer workers and more dependants.

This important question cannot be ignored. Yet I shall begin with something else. For, figuratively speaking, we can have a well-built and economic house in a good location – the bus stop and ATM just across the street, a store, the school and office a three minute bike ride away – but if the house lacks air, if it's mouldy or something stinks, then we don't want to live there.

When we talk about the state apparatus, its nuts and bolts, and money as the grease that helps the machinery work efficiently, then, in addition to all that, the machine also has a soul. Recalling the well-known classic saying: one must take care of one's soul. This includes the state's and the people's soul.

What we have witnessed over the past six months, or actually the past decade, is that we have neglected the soul of our country. I suspect we've thought that the process of putting democracy into practice, as outlined by the mothers and fathers of our Constitution, has been completed for all times, or is at least so sacred that it could be changed only in the greatest need.

I don't think we are in the greatest need. But it seems to me that it would not hurt to thoroughly revise our electoral procedures and the mechanisms that govern the operation of our political parties. The world around us is changing, and with it our requirements and demands are changing.

We must assess the health of freedom and democracy in Estonia even if society is focused on other issues. Be that doctors' pay, inflation or the euro area crisis. Money, and the amount of money, is an important thing in all our lives, but this does not define how we manage as a state and as a society in the future.

Kaido Kama was spot on in a recent TV interview when he said: back then – that is twenty years ago – people didn't go into politics. People went to build their state.

They did so from their heart. Out of a sense of mission. They were inspired by values and ideals. They were encouraged by a tremendous resolve to restore their state. They were inspired by all that the Estonian people had been kept from by force for some fifty years.

Our best men and women, often merely boys and girls, began to build Estonia. And this is the reason why many of us have a special relationship to our state that people elsewhere do not have. Almost all Estonians aged 35 or above have witnessed the birth of our state, freedom and democracy. They have been its creators and the first bricklayers in the construction of our state.

This has been our good fortune, it means we're involved. But it also lays upon us the burden of responsibility to make sure that no-one spoils it all. And we are justified in being worried and disgruntled when someone actually begins to spoil it all and starts to usurp our state.

I think that this feeling of involvement is unique. I doubt that the people of the so-called old democracies feel as strongly that their state is the work of their own hands, the fruit of their own minds.

The sweet sense of restoring Estonia and building it with our own hands spurred us on to assume projects that in fully developed democracies and bureaucracies would get caught up in a net of political calculations, personal ambition and rivalry.

Rights, interests, pay and perks – in the beginning we thought very little about them in Estonia. That came a bit later, along with painful decisions, choices and confrontations.

At this time it became obvious that having our own state would not immediately make everyone rich and happy. This became apparent when the big, common projects were substituted by smaller goals. And probably also when it began to appear that we had achieved the goal of

having our own state and that this was irreversible, or in other words: "Jack, damn it, we're saved".

But along with all that it also became clear what distinguished us from mature democracies. Political culture, the art of compromise. The realisation that the true essence of democracy is majority rule in defence of the minority. That Estonia's only option for survival and development is to be open and to care about everyone who lives in Estonia and who wants to come here.

This, my dear friends, is something that those young Estonians have witnessed who have had the opportunity to study in European and other countries' universities. This is something that all those have experienced who have pursued their careers elsewhere or have even been born abroad, but who would now like to return to Estonia.

Most of them lack the first-hand experience of restoring Estonia. On the other hand, they know how things should be run in a normal democracy. I am pleased to hear their voices resound increasingly clearly in Estonia. Yet I am worried by the fact that those voices are not listened to enough, that those voices fail to have an effect on our people's actions.

These people do not agree with lots of things that have been done here over the past twenty years. They see that instead of the big picture there's an image in a much smaller and more rigid frame. Anything that threatens to blur or break this frame creates a lot of fear, opposition, repulsion and aloofness.

And along with fear and a psychologically explicable survival instinct the will to do something, to do something differently and interestingly, to take risks is reduced. We have become afraid of change.

We must overcome this, and as the good owners of our state we must work to ensure the success of our country and the increasing wellbeing of our people. In order to make sure that as many as possible could live here as well as possible.

Dear friends,

I would like to draw a conceptual line here. I shall continue with a matter that also requires our attention despite all our present problems and questions.

We probably don't have any other choice but to face the question of what we can and cannot do. We must do so with a clear goal in mind – that it may be possible to live and succeed here also in thirty years' time.

In spite of our self-pity, there are things that we are exceptionally good at. I could never have dreamt that the European Union and the USA would take our IT-solutions and e-governance so seriously.

Either due to smartness or because of austerity, we have set up large systems in a way that we spend and thankfully waste a lot less money and time compared to many other developed countries.

In the field of defence, we have already found creative solutions in NATO – there we do things prudently, we do things that we have the resources and wits to do. But we do not do other things, for instance air policing.

In comparison, allow me to look at Greece. If we take into account the proportional difference in population, Estonia should have an air force with fifty fighter jets.

But such comparisons don't work in all fields.

Is our hospital system optimal? Are our administrative divisions and the arrangement of local life the best and most sustainable way to provide our citizens with services? Is our practice of adopting the arrangements and models of larger states wise and sustainable, or should we instead commit ourselves to discovering solutions that suit us best and are optimal specifically for us?

What do we have to do in order that Estonia may not turn into a national park, as a banker once said? Or should we instead give up, consider this to be inevitable and make sure it will be as painless as possible?

We must discuss these and many other questions. This is what debates like today's are for. That Estonia may have a bold and public discussion. That different developments and scenarios may be debated over instead of political point scoring.

Nor do we really have any other alternatives, because current population trends do not predict anything bright. According to the Estonian National Audit Office there will be 100,000 fewer workers in 2030 than today. For every person who works there will be one who is dependant, either someone who is young, elderly or ill.

It is of course possible to raise the age of retirement and to maintain a stable level of workers in this way, but this will only be reasonable if the elderly remain healthy and active, and as long as we can offer them jobs that correspond to their skills and abilities.

No serious statistician or economist calculates a prognosis for more than three to five years. Especially at a time during which the course of the crisis in the euro area as well as further abroad remains unclear.

Yet we can mathematically claim that if the labour market loses three per cent of its workforce – and this is the annual prognosis for Estonia – then those who keep a job must work three per cent harder. Unfortunately this only goes for profits. At the same time costs go up due to the rise in the number of dependants. As a result, the shortage has to be compensated by even more efficiency, higher taxes, borrowing or a cut in expenses.

If in the case of companies we can quite easily imagine what a three per cent rise in efficiency would have to look like, then the state actually has to do the same.

So let us discuss the options we have to sustain our state more efficiently without a loss in living standards. We have no other choice. We need these changes in the coming years and I am pleased that the Estonian Cooperation Assembly has promised to dedicate itself to this task and to come up with concrete proposals.

Ladies and gentlemen,

One final point.

If we want to progress as a society and as a state – and I presume this is what we want – then we cannot avoid certain agreements on style.

In my opinion, as a small country of barely more than a million brains, our bench is too short to permit destructive behaviour that in larger countries may not be a problem at all.

If you call someone an idiot in the USA or in Germany, it does not create a lasting problem. (Although I dare say this has been a problem for almost fifteen years in the US Congress with its 435 + 100 members). But already in Finland with its five million inhabitants you cannot do it.

For us, however, it creates a heap of problems. Or as I have put it elsewhere: a country half the size of Copenhagen can manage, but from time to time we must think what we can and what we cannot do. How large a network of embassies does half of Copenhagen need? Does the Danish capital have its own defence forces and border control? No. But we do.

We may dream of an Estonian space shuttle, our very own nuclear submarine, or organising the Olympics, but we understand that it's impossible.

The same goes for our behaviour in relation to others. We may think that we can insult each other as they do in America's politicised radio and TV shows, but we forget that there one never has to sit at the same table with the person being insulted because their child and yours go to

the same school or kindergarten.

Last week Angela Merkel gave Vladimir Putin some advice. Putin was insulted when she raised the question of Pussy Riot. And Merkel said: if I were insulted each time someone said something bad about me, I wouldn't last three days as Chancellor.

In short, a politician needs a thick skin.

I don't know how much this applies in Estonia. I'm not sure how good a thick skin would be. Can someone with a thick skin better understand poetry, write an essay or even read a newspaper article if its content is reasonable, but the opinions expressed in it are different compared to yours?

Some recent exchanges of opinion in Estonia have made it possible to attach various epithets to our democracy. Some think we have a mute democracy. Others believe it is vituperative and boisterous. I myself prefer a deliberative democracy in which serious issues are debated without descending to the level of the loud haggling of market-places. I am no longer a hundred per cent sure this is possible in Estonia. I would very much like to be wrong. Today's debate can provide some empirical proof.