CHAPTER – II

SOVIET DISINTEGRATION AND
EVOLUTION OF A NEW POLITICAL
SYSTEM IN ESTONIA, 1991-1992
Estonia is situated on the northern shores of the Baltic Sea and is surrounded by the Slavic nations in the East and Germany in the West. Due to this geopolitical position, the country was occupied by foreign rulers from the thirteenth century onwards: by the Germans, the Danes, the Poles, the Swedes, and the Russians\(^1\). Historically, it belonged to Scandinavian culture but after its annexation by Tsar Peter the Great in 1710, the Scandinavian culture was suppressed because the Tsar imposed a policy of Russification and also introduced Catholicism in terms of Russian orthodoxy on Baltic society\(^2\). Since then anti-Russian feelings has been a continuous source of utter discontent among the people. This is why, time and again, Estonians try to fail due to mighty foreign rule. Their concept of independence could see a light of the day when Soviet President Gorbachev introduced Perestroika and Glasnost in mid 1980s. Before the advent of Gorbachev, Estonian concept of freedom during Soviet period had typical characteristics of getting support from the western world.

Estonia was established as a modern nation-state on February 24, 1918. However, from the very beginning, Estonians had to fight for their independence against the imperialist ambitions of both Germany and Bolshevist Russia. The war of independence ended with the signing of the 1920 Tartu Peace Treaty, in which Soviet Russia recognized Estonia's independence unconditionally and for all time. However, under the secret protocols of the 1939 Nazi-Soviet Pact, Estonia was invaded and occupied by the Soviet Union on June 17, 1940. After that a reign of terror ensued: thousands of Estonians were arrested and killed, while tens of thousands were deported. The entire Estonian political and social infrastructure was destroyed and replaced with Soviet institutions\(^3\).

After Hitler's Germany attacked the Soviet Union, Estonia was occupied by German armed forces from 1941 to 1944 and in 1944, it was again occupied by the Soviet Union. For the next fifty years, the Soviet regime conducted a campaign of demographic genocide to colonize Estonia,

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\(^1\) Europa world year Book. (London: Europa publication, 1999), vol.1, p.1317.
\(^3\) Ibid. p.311.
to russify and assimilate the people, even the guerrilla style resistance was not crushed until the early fifties. The vehemently anti-Communist Estonian refugee community in the West continued to demand an end to the Soviet occupation of their homeland. The de jure continuity of the Republic of Estonia was recognized by Western powers, which refused to view occupied Estonia as being legally part of the Soviet Union.⁴

Despite the all-pervasive Communist ideology which tried to stamp out independent thinking and national identity, Estonians continued to resist, shifting to the preservation of cultural identity and family values. Traditional song festivals, organized every five years, offered an opportunity to express national unity. Various underground political activists and groups appealed for the implementation of the Universal Declaration of Human Rights and the Helsinki Accords. In 1974, two groups addressed a memorandum to the UN, conducting for free fare elections and the withdrawal of Soviet troops. In 1979, 45 persons from Lithuania, Latvia and Estonia signed the "Baltic Appeal" bringing attention to the illegal incorporation of the Baltic States into the Soviet Union.⁵

After the end of the more moderate Khrushchev era, the repression of human rights activists became harsher in the seventies, many were arrested. In the West, the Estonian Diaspora worked with human rights organizations to free the prisoners of conscience, simultaneously keeping alive the idea of Estonian independence. Despite rigid political control by the Soviet authorities, contacts on various levels developed between Estonia and the outside world. Western broadcasts such as BBC, Voice of America and Radio Free Europe gained a wide listening audience. In the seventies and eighties, a window to the West was offered by Finnish TV. At the same time, the Soviet authorities intensified their russification policies, which in turn brought about

unrest among students and then intellectuals. By the early eighties, people were ready for a change to take place\textsuperscript{6}.

Having reached a total economic and political impasse, the Soviet leadership was forced to look for new ways to keep the empire together. Despite the official aims of Mikhail Gorbachev's restructuring of the Soviet political system, Perestroika (Restructuring) and Glasnost (Openness) offered an opportunity for various democratic forces to begin voicing protests against environmental damage, forced industrialization, russification and the repression of national culture.

In May of 1987, students and intellectuals initiated a successful protest movement against Moscow's plans for large-scale, ecologically disastrous mining of phosphorites in north-eastern Estonia. In the summer of 1987, the MRP-AEG, a group demanding the disclosure and publication of the secret protocols of the 1939 Molotov-Ribbentrop (Nazi-Soviet) Pact was formed. On the anniversary of this Pact, August 23, 1987, the MRP-AEG leaders Tiit Madisson, Lagle Parek, Heiki Ahonen, Arvo Pesti and others organized the first open mass demonstration against Soviet rule in Estonia. Despite threats from Moscow, this pivotal demonstration, which coincided with similar ones in Riga and Vilnius, brought several thousand people to Hirve Park in Tallinn. The resulting world-wide publicity also reflected the supportive role played by the Baltic refugee community in the West in informing the media and in encouraging Western government leaders to issue statements of support for the peaceful demonstrators\textsuperscript{7}.

The Estonian IME program for economic autonomy associated with Edgar Savisaar, Mikk Titma, Siim Kallas and Tiit Made won wide-spread acclaim in September 1987 as an attempt to solve national problems by making the Estonian contribution to progressive economic reforms in the Soviet Union. The Estonian Heritage Society (Eesti Muinsuskaitse Selts), organized in 1987 by Trivimi Velliste, Mart Laar, Illar Hallaste, et al and

\textsuperscript{6} Oskar Mand's article "Ten Years without Stalin in Soviet Estonia", in Balt-Press (an occasional information bulletin regarding Baltic affairs- Researcher), Stockholm, Post box 16388, 1963, p.2.

supported by a wide-spread network of local clubs worked to revive Estonian national history and cultural traditions as well as to combat Soviet propaganda by restoring churches and monuments destroyed by the communist regime. It served as an important conduit for the general political mobilization of national sentiments. Under pressure from the Heritage Society and similar unofficial organizations, various national anniversaries began to be celebrated publicly. At the same time, the Lutheran Church became more active and other religious movements gained momentum.

The confrontation between the national-democratic opposition and Soviet authorities culminated in February 1988. In Tartu, the demonstration commemorating the Tartu Peace Treaty of 1920 was broken up and just three weeks later, thousands gathered in Tallinn to mark Estonian Independence Day. The events of February 24 marked the beginning of a new approach by the authorities to control growing popular dissent by raising hopes that many grievances could be redressed within the framework of the existing system.

The independence movement became ever more organized in 1988 in which the representatives of the creative unions met a Joint Plenary Session and discussed historical and current problems in Estonia. There was, in effect, an expression of no confidence in the Estonian political leadership, which was dominated by empire-minded thinking. The speeches and statements of the Plenum circulated widely in Estonia. During a live TV discussion on April 13, 1988, the idea to form an Estonian movement in support of perestroika was first mentioned. The initiators of the Popular Front of Estonia (Eestimaa Rahvarinne) concept, Edgar Savisaar, Marju Lauristin, Viktor Palm and others, at first advocated Estonian sovereignty within a redefined Soviet confederation under a new treaty of union. With the successive development of a loose network of Popular Front support groups throughout the country,

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the average Estonian found a way to express his political sentiments without risking overtly dangerous consequences⁹.

The Communist authorities could no longer ignore growing popular pressure. In June 1988, the pro-empire local Communist Party chief Karl Vaino was replaced by the reform-minded Soviet Ambassador to Nicaragua Vaino Väljas. Before the Communist Party Congress in Moscow, the Popular Front leaders conducted a mass pro-perestroika rally in Tallinn to send off delegates to the Communist Party Congress in Moscow and to demonstrate confidence in the Estonian Communist Party's new leadership. But the Party itself began to fall apart quickly. Some of the Estonian members declared that they were fighting for Estonian national interests and tried to contribute to the solving of Estonian problems. The disintegration of the local Communist Party culminated in the spring of 1990¹⁰.

As a counter-weight to the growing pro-independence movement, leaders of the Soviet military-industrial complex organized an Interfront movement to preserve the Soviet Empire and their own privileged position. The year 1988 marked the beginning of what-became known as the "singing revolution". The Revolution started in the summer of 1988, when mass protests by the Estonian people began against Russian occupation of their country. During that time, over 10,000 people a night packed the Lauluväljak (The Tallinn Song Festival Grounds), where they sang patriotic and national songs forbidden by the Soviet regime. These gatherings helped unite the Estonian people and ignited a renewed wave of passion for their national identity (which was being marginalized by aggressive Russification of the country), and the country's desire for freedom. In September of 1988, 300,000 Estonians gathered at the Lauluväljak to continue their protest and to hear Trivimi Velliste make the first public demand for independence.¹¹

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The most effective rule in Estonia has been during Tsarist and Soviet period. However, Estonian masses always looked towards the West, but failed to materialize the support from the Western world within its society due to command Soviet system. Following Gorbachev’s democratization of Soviet society, the voices of freedom became very acute in Estonia. During 1988, Estonia became more politicized and established the Popular Front (a massive opposition movement) initiated by Edgar Savisaar and Marju Lauristin in which various societies, political parties and movements were restored and established.\(^\text{12}\)

Estonian freedom movement could be distinguished in two directions, the Radical (Eesti Rahvusliku Sõltumatuse Partei - Estonian National Independence Party) and Centre-Moderate (Popular Front). The first demanded immediate restoration of Estonian statehood on the basis of restitution and international law and the second preferred gradual reforms and achieving political autonomy within a confederation. On 16 November 1988, the Supreme Soviet of the Estonian SSR passed a declaration on Estonian sovereignty. The Supreme Soviet thus declared itself the bearer of the highest legislative and executive power, and also the precedence of its laws over the Soviet mass on Estonian territory. This act which attracted the attention of the whole world expressed the Estonians’ aspiration for national self-determination.\(^\text{13}\)

On August 20, the Estonian National Independence Party (ENIP) was founded in the Pilistvere church by former political prisoners, human rights activists, representatives of independent youth groups and intellectuals. Estonian National Independence Party declared as its objective the unconditional restoration of Estonian independence based on the legal continuity of the pre-war Republic of Estonia. Having no illusions about perestroika Estonian National Independence Party, counted upon the imminent disintegration of the Soviet Union. On October 1, 1988, the Popular


\(^{13}\) Ibid.
Front was formally established with the participation of many well-known intellectuals, artists and scientists. As a quasi-official movement, the Popular Front had already displayed a high level of organizational skills and had gained substantial media attention. Despite not having a formal membership, the movement achieved great popularity among the Estonians under which many of whom formed local support groups.¹⁴

In November 1988, the Estonian Supreme Soviet adopted a resolution to the effect that the local legislation would take precedence over All Union legislation cities as justification in Article 76 of the Soviet constitution, which provided for the sovereignty of the Soviet Republics. Following this provision on the leading role of the Communist Party was elected from the Republic's constitution and provided a base for the emergence of alternative political groupings. During this time, the Supreme Soviet of the Estonian SSR adopted a declaration of national sovereignty under which Estonian laws were to have precedence over the all-Union ones. In January 1989, The Estonian Supreme Soviet adopted a language act, which declared the Estonian language the official language in the country. On 24 February 1989, the Estonian Independence Day was celebrated for the first time during the Soviet occupation¹⁵.

During the same year, the Citizens’ Committees Movement was launched and its aim was to register all pre-war citizens of the Republic of Estonia and their descendants. The movement was based on the principle of legal continuity and the continuity of Estonia’s citizenship and property rights. In May 1989, the Estonian Supreme Soviet passed a law on the economic independence of Estonia. It was the first Republic to break with the Soviet constitution and thus made a special contribution to the process of independence Baltic States and the Soviet Union disintegration. In the meantime, in the general elections of 1989, the local communists were defeated but the first time during the Soviet era, nationalist groups captured the power in Estonia. "With the East European countries slipping out of the

¹⁵ Europa World Year Book, op.cit, p. 1318.
Soviet grip during the second half of 1989, the USSR under Gorbachev appeared increasingly sympathetic to Estonian aspirations and the USSR Supreme Soviet passed a resolution demanding the Molotov-Ribbentrop pact as illegal on December 24, in 1989."  

On February 2nd 1990, a mass rally was held to commemorate the anniversary of the 1920 Treaty of Tartu. Deputies attending the rally later met to approve a declaration urging the USSR Supreme Soviet to begin negotiations on restoring Estonia's independence. On February 22nd 1990, the Estonia Supreme Soviet approved the declaration and on the following day it voted to abolish the constitution guarantee of power enjoyed by the Communist Party of Estonia. This formal decision permitted largely free elections to take place to the Estonian Supreme Soviet in March in which the Estonian Popular Front won 43 of the 105 seats, while 35 were won by the Association for a Free Estonia and other pro-independence groups. The remainders were by members of the International Movement. Candidates belonging to the Communist Party of Estonia, which was represented in all these groups, won 55 seats.  

At the first session of the new legislature, Arnold Ruutel, previously Chairman of the Presidium of the Supreme Soviet, was elected to the new post of chairman of the Supreme Soviet, which was vested those state powers that had previously been the preserve of the First Secretary of the Communist Party of Estonia. On March 30th 1990, the Supreme Soviet, the Congress of Estonia some 580,000 people took part in the election. The Congress convened on 11-12 March declared itself the constitutional representative of the Estonian people. The participants adopted resolutions demanding the restoration of Estonian independence and the withdrawal of Soviet troops from Estonia. In early April 1990, the Supreme Soviet elected Edgar Savisaar, a leader of the Estonian Popular Front, as Prime Minister. On May 8th 1990, the Soviet voted to restore the first articles of the 1938 Constitution, which described Estonia's independent status. The formal name

17 Ibid.
of pre-1940 Estonia the Republic of Estonia, was also restored, and a transitional system of government was also approved\textsuperscript{18}.

Although formal economic sanctions were not imposed on Estonia, the republic’s declaration of independence severely strained relations with the Soviet authorities. On 30 March 1990, the Supreme Soviet of the Estonian SSR passed a resolution ‘On the State Status of Estonia’ that proclaimed the Soviet rule unlawful from the moment of its enforcement and it also proclaimed the restoration of the Republic of Estonia (restitution ad interim) and a period of transition which ended with the formation of constitutional state organs\textsuperscript{19}. On 8th May, the Supreme Soviet passed the law on Estonian national symbols, Estonian SSR became the Republic of Estonia and the 1937 Constitution’s paragraphs 1, 2, 4, 5 and 6 were implemented. The first of them stated that ‘Estonia is an independent and sovereign republic where the highest power belongs to people.’\textsuperscript{20}

Moscow’s proposal of a special status in the Soviet Union on the basis of a confederation pact was also rejected. During the first several days of the session, the Supreme Soviet passed several resolutions in the spirit of cooperation with the Congress of Estonia. It recognized the Congress of Estonia as "the restorer of the state power of the Republic of Estonia" and declared willingness to cooperate in restoring the Republic of Estonia on the basis of continuity. However, due to differing constituencies, ambitions and goals, the relationship between the Supreme Soviet and the Congress of Estonia became strained almost immediately and remained so throughout the transition period. Nevertheless, the political and moral pressure generated by the Congress had a marked effect on the decisions passed by the Supreme Soviet as well as on public opinion.\textsuperscript{21}

When troops of the USSR’s Ministry of Internal Affairs attempted military intervention in Latvia and Lithuania in January 1991, the Estonian

\textsuperscript{18}Foreign Broadcast Information Service (Central Eurasia, August, 1994.), No. 89-95, p.107.
\textsuperscript{19}The Current Digest of the Post Soviet Press, (Columbus, Ohio, 1991), Vol, XLV, no.21, p.23.
\textsuperscript{20}Ibid.
leadership anticipated similar confrontation. Barricades and makeshift defenses were erected but no military action was taken. However, events in the other Baltic republics intensified popular distrust of Estonian involvement in a new union which was being negotiated by other Soviet republics. Consequently, Estonia refused to participate in a referendum on the future of the USSR, which took place in nine of the republics in March 1991. The Estonian authorities had conducted a poll on the issue of independence earlier in the same month. According to the official results, 82.9 percent of the registered electorate took part, of which 77.8 percent voted in favour of Estonian independence.22

When the State Committee for the State of Emergency announced that it had seized power in the USSR on 19 August 1991, Estonia, together with the other Baltic republics, expected military intervention to overthrow the pro-independence Governments, General Fyodor Kuzmin, the Soviet commander of the Baltic military district informed Arnold Ruutel, the Chairman of the Supreme Council (as the legislature as now known that he was taking full control of Estonia). Military vehicles entered Tallinn on 20 August, and troops occupied the city television station.

However, the military command did not prevent a session of the Estonian Supreme Council form convening on the same day. Deputies adopted a resolution declaring the full and immediate independence of Estonia, which ended the transitional period that had begun in March 1990. According to the special referendum of March 1991, the majority of Estonians came to favour of full independence. But the political struggle between those favoring restoration of Estonian independence on the basis of legal and historic continuity and those advocating the declaration of a new independent Estonia lasted until August 1991.23

The year 1990 was marked by increasing hostility and confrontation between the Baltic States and Moscow. The economic blockade imposed by

the central authorities caused great hardship for Estonia. Dramatic developments in the Soviet Union itself resumed in the three Baltic countries finally regaining their independence. The attempted coups of August 19, 1991, fall down Gorbachev from power and threatened the Baltics with military intervention and removal of their elected officials. At this fateful moment, various political forces of Estonia united to defend independence. The Chairmen of the Estonian Supreme Soviet and the Congress of Estonia issued a joint appeal to the Estonian people and leaders of both parliamentary-type bodies met and worked out a consensus on national reconciliation. 24

On 22 August 1991, after the collapse of Soviet Union, the government began to take measures against persons who had allegedly supported the coup. The anti-government movements, the International Movements and the United Council of Work Collectives, were banned as was the Communist Party of the Soviet Union. Several directors of Soviet enterprises were dismissed and the committee of state Security (KGB) was ordered to terminate its activities in Estonia. This historical development was followed by declaration of Estonian independence from Soviet Union in 1990 25.

The inner party rivalry within Soviet leadership, particularly Gorbachev and Boris Yeltsin provided a base for Estonian independence. Initially Gorbachev tried to provide greater autonomy for Estonia and Boris Yeltsin provided a base for Estonian independence. Initially Gorbachev tried to provide greater autonomy for Estonia and other Baltic States. However his policy of Perestroika and Glasnost failed following the disintegration of Soviet Union itself in 1991. Thus Estonia could achieve full independence only after the collapse of Soviet Union.

The movement to restore Estonia's independence, which started in the late 1980s, culminated in 1991. The attempted coup of May 1991 in Moscow gave the small nations to restore their historical independence. With the agreement of different political powers, the Supreme Soviet (the Estonian parliament of the time) passed 'A Resolution on the National Independence of

24 Ibid.
Estonia; it re-established the independent state both de jure and de facto. Within a short space of time, the newly independent state gained international recognition. On 6 September 1991, the Soviet Union Supreme Council also recognized the independence of Estonia. In the immediate aftermath of independence, the PFE-led government’s platform of granting citizenship to all residents was deemed by many to rest wholly on political calculation.  

The practical business of building a state and returning to Europe really began in August 1991, when the sudden dramatic collapse of soviet power opened the way for de facto international recognition of Estonian independence. The emergency circumstances occasioned by the Moscow coup led moderate and restitutionist nationalists to temporarily bury their differences and unite behind a declaration re-affirming the legal continuity of the Estonian Republic as a subject of international law and calling upon longer-established states to restore the diplomatic links severed back in 1940. The declaration also provided for the establishment of a new constituent assembly, membership of which was to be divided equally between the official parliament and the radical-dominated Congress of Estonia. According to one of its key architects, Marju Lauristin, the 1991 declaration of independence represented a compromise ‘third way’ which guaranteed the legal continuity of statehood yet allowed for the radical renewal of the constitutional order according to the principles of the late 20th century. The two alternatives, restoration of the authoritarian constitution of 1938 or the declaration of a new ‘third republic’ would both have deepened existing divisions in society. They would also have complicated Estonia’s integration with the West – the former by reinstating an authoritarian political order, the latter by preserving existing soviet structures for an indeterminate period.  

After regained its independence, Estonia has been engaged in talking the necessary steps to define and to establish its statehood. Following the collapse of the August coup, the government dismissed all those in positions

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of influence who had openly supported the Moscow plotters. The pro-Soviet United Council of work collectives (OSTK) was dissolved, and its leaders relieved of their positions as directors of former al union enterprises. Armed worker's detachments established within these factories were dissolved and certain of their members imprisoned. The CPSU and the KGB were also banned on the grounds that they were agencies of a foreign state. In spite of a belated pledge of allegiance to the Estonian Republic, city councils leaders in Narva and Sillamae were also dismissed on account of their previous refusal to observe Estonian legislation during 1990-91. 28

Estonia's new era of democratic politics began slowly in the 1990s with the adoption of a new constitution and the formation of stable political groupings.

ESTONIA'S POLITICAL GROUPINGS IN EARLY 1991.

- Anti-independence groups
- The no-preference people
- Reform communists
- Popular front of Estonia
- Estonia Social Democratic Party (ESDP)
- Other members of the PFE alliance.
- Non-PFE center – right
- National radicals. 29

Amongst the first to emerge were Marju Lauristin's Estonian Social Democratic Party (ESDP), Ivar Raigs Rural Centre Party and a liberal democratic groupings which included more moderate members of the congress of Estonia. In mid 1991, as the independence struggle seemed to languish, the Estonia government, led by Prime Minister Edgar Savisaar showed begins of readiness to compromise on the citizenship issue in order to

29 Rein Taagepera, op.cit, p.195.
gain more local Russian support. However after the failed coup and the immediate onset of full independence, the congress and other radical groups were emboldened to insist on the principle or restricted citizenship. Thus the Supreme Council decided on November 11, 1991 to require the naturalization of all Soviet-era immigrants to Estonia while automatically renewing the citizenship of all prewar citizens and their descendants.30

As long as independence remained the overarching goal, the Popular Front leader was allowed to preside over a loose condition government containing three reform communists. The restoration of statehood, however, deprived the front of its original raison deter' and fragmentation soon ensued. In September, 1991, Savisaar consolidated the residual core of the movement by forming the People’s Centre Party, which combined pragmatic nationalism with a gradualist approach to economic reform. These reforms are:

- Introduction of own currency, choice of currency board framework to provide maximum external credibility to Estonian kroon. Requirements to the fiscal policy to comply with currency board arrangements. EMU and shift to Euro as an exit strategy from the currency board arrangement;
- Early and spontaneous price liberalisation (as an alternative to consumption rationing) launched by permanent supply shortages;
- Liberalisation of foreign trade and foreign capital movement with initial privileges given to foreign capital to overcome shortages in commodities’ and capital markets;
- Privatisation (of state owned enterprises), changes in entrepreneurship (ownership structures, increasing share of small and medium-sized enterprises, entry and exit ease etc.).31


As the Estonia Government moved to assert its authority over former Soviet institutions, on 6th September, the USSR State Council finally recognized the re-establishment of Estonia’s independence. Later in the month Estonia, together with the other Baltic States, was admitted to the UN as well as to the Conference on Security and Co-operation in Europe (CSCE) renamed Organization for Security and Co-operation in Europe (OSCE, in December 1994). During the remainder of 1991, Estonia re-established diplomatic relations with most major states and was offered membership of leading international organizations. In internal politics, there was hope for a cessation of conflict between the radical Congress of Estonia and the Supreme Council, with the establishment of a Constitutional Assembly, composed of equal numbers of delegates from each body, which was to draft a new constitution32.

In January 1992, following a series of disputes with the Supreme Council concerning economic management and the issue of citizenship, and the Government’s failure to persuade the legislature to impose an economic state of emergency, Savisaar resigned as Prime Minister and was replaced by the Minister of Transport. Tiit Vahi a new Council of Minister, which included seven ministers from the previous Government, was approved by the Supreme Council as the end of the month. The draft constitution that had been prepared by the constitutional Assembly was approved by an overwhelming majority of the electorate (some 91%) in a referendum held in late June 1992. Under the recently adopted Citizenship Law only person who had been citizens of pre-1940 Estonia, and their descendants, or those who had successfully applied for citizenship was entitled to vote. This ruling drew strong criticism from Russian leaders, concerned that the right of the large Russian minorities in Estonia, most of whom had not been granted citizenship and who were thus disenfranchised, were being violated.33

The new Constitution, which entered into force in early July 1992, establishes that Estonia is an independent and free democratic republic, wherein the supreme power is vested in the people. This power is exercised by the people through citizens who have the right to vote by:

1) Electing the Riigikogu,
2) Participating in referenda.

As the Riigikogu (Parliament) decides on whether to hold a reform and is the sole body to be directly elected by the people the Riigikogu can be considered as the central point of the Estonian political system. As the central point of the Estonian political system, a broad range of matters are within the authority of the Riigikogu. Legislative power is vested in the Riigikogu, which also functions to balance the powers of the President, the Government and the courts.

The Riigikogu-

1. adopts laws and resolutions; decides on the conducting of referenda;
2. elects the Head of State - the President of the Republic;
3. ratifies and denounces foreign treaties;
4. authorizes the candidate for Prime Minister to form the Government of the Republic;
5. adopts the state budget and approves the report on its implementation;
6. appoints, on proposal by the President of the Republic, the Chairman of the National Court, the Chairman of the Council of the Bank of Estonia, the Auditor-General the Legal Chancellor and the Commander or Commander-in-Chief of the Defence Forces;
7. appoints, on proposal by the Chairman of the National Court members of the National Court; appoints members of the Council of the Bank of Estonia;
8. decides, on proposal by the Government, on the issue of Government loans and the undertaking of other financial obligations by the state; decides on votes of no-confidence in the Government of the Republic, the Prime Minister or individual ministers;
9. declares a state of emergency in the state; declare on proposal by the President of the Republic, a state of war; orders mobilization and demobilization.

The Riigikogu also resolves all national issues which, according to the Constitution, are not to be resolved by the President of the Republic, the Government of the Republic, other state bodies or local governments.\textsuperscript{34}

The \textit{Riigikogu} is a unicameral parliament. The \textit{Riigikogu} has one hundred and one members who are elected in free elections, by secret ballot, on the principle of proportionality. The authority of \textit{Riigikogu} members commences on the day that election results are announced and the authority of the outgoing members of the previous \textit{Riigikogu} ceases at the same time. \textit{Riigikogu} members assume office upon taking the oath of office. Members of the \textit{Riigikogu} are not tied to their mandate, nor can they be held legally liable for votes or political statements made in the \textit{Riigikogu} or in any of its bodies. A member of the \textit{Riigikogu} may be charged with a criminal offence only on proposal by the Legal Chancellor and with the consent of the majority of the members of the \textit{Riigikogu}. Members of the \textit{Riigikogu} may not hold any other public office and are released from the obligation to serve in the Defense Forces for the duration of the term of office. The authority of a member is suspended upon his or her appointment as a member of the Government of the Republic, and is restored upon his or her being released from the duties as a member of the Government.\textsuperscript{35}

\textit{Riigikogu} members also have the right to submit drafts of laws to the parliament and to demand explanations from the Government or individual ministers, the President of the Bank of Estonia, the Chairman of the Council of the Bank of Estonia, the Auditor-General, the Legal Chancellor and the Commander or Commander in Chief of the Armed Forces. The work of the \textit{Riigikogu} is coordinated by the board of the \textit{Riigikogu}, which consists of the


\textsuperscript{35} Ibid.
Speaker and two Deputy Speakers, who are elected by secret ballot for one year at the first session of the new Riigikogu.

The board of the Riigikogu organizes the work and the representation of the Riigikogu, divides the members into committees (with the approval of the parliamentary factions), registers factions and drafts the agenda for Riigikogu sessions, to be confirmed by the Riigikogu. The Riigikogu administrative office services the committees and factions and is lead by a director, who is appointed by the board of the Riigikogu. The Riigikogu elected Ûlo Nugis as Speaker of the Riigikogu and Tunne Kelam and Edgar Savisaar as the Deputy Speakers in 1992.36

To better organize their work, the Riigikogu forms permanent and special committees. All members of the Riigikogu, except for the board, are obligated to belong to a permanent committee. The Riigikogu is permitted to form special committees, whose membership, authority and duration are determined separately in each case. Special committees are usually convened to draft particularly complicated or wide-reaching laws which regulate the internal operations of the Riigikogu or which encompass a wide range of issues. The primary task of permanent committees is to prepare draft laws dealing with their area of interest to be submitted for discussion to the parliament. Permanent committees can also initiate draft laws. All draft laws which have been presented to the Riigikogu for processing are routed by the directorate to a permanent committee, which will become the primary committee to work through any changes and will make decisions regarding whether to include the draft law in the Riigikogu's agenda.

In 1992, the following permanent committees were formed by the Riigikogu:

- Law Committee
- Civil Rights Committee
- Budget and Taxation Committee
- Economic and Agriculture Committee

36 Ibid. p.3.
The right to initiate legislation belongs to:

1. Members of the Riigikogu
2. Riigikogu committees
3. Riigikogu factions

Draft laws must pass through two or three readings in the Riigikogu and the budget must pass through three. After the first reading of the draft law, the members of the Riigikogu submit their proposal for amendments. The draft law is then sent to the primary committee which debates the proposed changes and then re-submits the edited draft law for its second reading along with all proposals for amendments, which are then voted on. Drafts are adopted by a simple majority of votes, if the Constitution does not prescribe otherwise. Regular sessions of the Riigikogu held at Toompea Castle from the second Monday in January to the third Thursday in June, and from the second Monday in September to the third Thursday in December.38

In the new Constitution that was passed by referendum on 28 June 1992, Article 1 declares that Estonia is "an independent and sovereign democratic republic wherein the supreme power is vested in the people." The institutions of state power are the Riigikogu (Parliament), the government, the presidency, and the court system. From among them, the president of the republic designates the candidate for prime minister and entrusts him or her with the task of forming a government. The executive power belongs to the

37 Ibid.
government. It consists of no more than fifteen ministers. Most of the constitutional debates have so far centered on the role of the president of the republic. The institution of the presidency in Estonia was controversial even before the current president was elected. The first Estonian Constitution (1920) did not establish a special institution of presidency; instead, the presidency rotated among the members of government. The second Constitution (1933) established a presidential republic and although the third Constitution (1937) deprived the president of some powers, the presidency remained a politically strong institution.39

The unfortunate events of 1939-40 were attributed partly to the miscalculation of President Konstantin Pats (1870-1956; the only Estonian pre-war president) and, thus, when Estonia's independence was regained, the new Constitution had to find a fine balance between a weak and a strong president. The role of the president in the new Constitution was seen as that of a balancing power between, and above, different state institutions. Except for the 1992 elections, the president is elected by Parliament. The president of Estonia is the head of state and the supreme commander of the national defense forces. According to the Constitution, however, these are mostly representative functions, and only in a case where Parliament is unable to convene, does the president have the right to issue decrees that have the force of law. Among the most powerful tools in peacetime is the president's suspensive veto on legislation (Article 107).40

Legislative and presidential elections were duly held on September 21st 1992, with the participation of some 67 percent of the electorate. The country's Russian and other ethnic minorities, who now represented 42 percent of the total population, were barred from voting (with the exception of those whose apparition for citizenship had been granted). The elections to the 101-seat Riigikogu were contested by a total of 633 candidates representing some 40 parties and movements, largely groups in to eight, coalition. The nationalist alliance Isamaa the Patria, or Fatherland) emerged with the largest

40 Ibid.
number of seats (29). Other right-wing parties and alliances performed and the centrist Popular Front alliance (led by the EPF) won as unexpectedly low total of 15 seats. The ENIP (Estonian National Independence Party) which was not part of a coalition won 10 seats. The Secure Home alliance which comprised some former communists, obtained 17 seats.\textsuperscript{41}

In that election, none of the four candidates in the presidential election, which was held simultaneously, won an overall majority of the votes, it thus fell to the Riigikogu to choose from the two most successful candidates, Arnold Ruutel, now a leading member of the Secure home alliance, and Lennart Meri, a former Minister of Foreign affairs, who was supported by Isamaa, in early October 1992 the Riigikogu, now dominated by members or supporters of Isamaa elected Meri to be Estonia’s President, by 59 votes to 31. A new coalition Government, with a large representation of Isamaa members as well as members of the Moderates electoral alliance and the ENIP, was announced in mid-October 1992. Earlier in the month, Mart Laar, 32-old years historian and the leader of Isamaa, had been chosen as Prime Minister, Laar indicated that the principal objectives of his administration would be to negotiate the withdrawal of all Russian troops remaining in Estonia, as well as to accelerate the country’s privatization programme\textsuperscript{42}. In late November, four of the five constituent parties of the Isamaa alliance unite to from the National Fatherland Party (NFP), with Laar as its chairman. In the same month, the CPE was renamed the Estonian Democratic Labour Party\textsuperscript{43}.

The new government was faced with two major tasks: to build a democratic state and to create a functioning economy. When coming to power, Isamaa, ERSF, and Moderates concluded a coalition agreement that functioned as a plan of action for the government. Since none of the leaders of this coalition had any real experience in governing, they stressed everywhere, including in the preamble of the coalition agreement, the new character of the government that was to be created—it was to be a government of politicians. in


\textsuperscript{43} Ibid.
contrast to the interim government that had declared it to be a government of experts. Whether this concept was suitable for the new state that had yet to be built is open to debate. It presupposed a professional civil service to which the members of government merely need to provide basic political guidelines. Yet the slogan of Isamaa also meant that the top civil servants from previous times had to be dismissed. Altogether, when taking into account that the development of political parties in 1992 was only in a starting phase, it becomes clear that the election victory of Isamaa was not so much a vote for new policies as for new elites.44

The state structures inherited from Soviet Estonia were neither comprehensive nor compatible with the new demands because many functions belonged to the central government in Moscow. The government had to create defense structures and develop foreign policy structures for the state to function normally. In addition to the reshaping of political institutions, the new government had to reform the government apparatus itself. The coalition agreement specified reform of both central and local governments. The former entailed the reduction of ministries and the inclusion of previously independent departments into ministries, the specification of the areas of competence for the ministries, and the reduction of the state apparatus by one-third. The latter specified a new definition of competencies for central and local governments and a wide array of laws that were supposed to create a legal basis for local government. The basis for the government action was to be "to decentralize power, to take the decision-making as close to the people as possible."45

The dilemma in the creation of a new type of local government lay in the coalition's lack of trust in the ability of local governments to organize themselves, on the one hand, and their own declaration that they must do so, on the other. Combined with the inexperience in governing and the lack of adequate legislation, this has resulted in a process similar to the one that characterized the formation of Soviet power in Russia after 1917, the creation of overly centralized bureaucratic structures. New laws that define the spheres

44 Ivar Tallo, op.cit, p.128.
of competence of central and local governments are "thoroughly state-and bureaucrat-centered, leaving towns and districts to the narrow role of servants." The best example of the situation probably is the control of actions of local governments: they are regulated not only by law and by local control boards but also by the central ministries, causing local governments to seek approval from the central executive for every little step they intend to take.\textsuperscript{46}

Estonian politics in 1992 was characterized by the emergence of new political parties designed for a very functional purpose, to take power. The general ideology behind the different party programs was still negative to steer away from the previous political order. The ideas expressed by the majority of Estonian politicians were not too different from each other: all supported market economy, low taxes, democracy, and the independence of Estonia.\textsuperscript{47} The basic difference between these so-called parties was their attitude toward the recent past, although there was little public discussion even about this topic. As the Hungarian social scientist Attila Agh has noted, the newly emerging multiparty systems in East Central Europe cannot yet be characterized or even described by the usual typologies. He has offered four stages in the emergence of parties:

1. the emergence of a multiparty system inside the existing one-party system,
2. the formalization of a legalized multiparty system before the elections,
3. the parliamentarization of the major parties,
4. the end of isolation of the parties from society by socio-political pacts.\textsuperscript{48}

The political landscape in Estonia, with regard to parties, faces three general problems: the large number of parties, the small number of people participating in politics, and the general distrust of parties.\textsuperscript{49} Only now, in the

\textsuperscript{46} Ibid.
\textsuperscript{47} Clearance A. Manning, \textit{The Forgotten Republics}, (New York, Philosophical Library 1952), p. 209
third year of independent statehood, is the diversification of the political landscape, based on different interests rather than on ideas. It expresses itself through the creation of various interest groups, primarily economic ones, by those who have had the most difficult time during the transition process.\textsuperscript{50}

With regard to the concept of civil society, one would be justified to compare the situation in Estonia to the one in the Eastern European states and not to that of Russia. Citizens’ initiatives in Estonia have a documented history of at least 130 years. Under Soviet rule, civil society and civic consciousness had not completely disappeared but were dormant because of the all-encompassing totalitarian state. With the change to a democratic state, civil society is slowly coming back to life\textsuperscript{51}. The principles of new social movements, especially globalism, peaceful dialogue between ideologies, and non-hierarchical structures, are still alien to the Estonian mind. A good example of this is the fate of the Green movement in Estonia. It was widely popular as a resistance movement during the end of the 1980s, but with the emergence of other channels of legitimate political activity it has practically disappeared from the political landscape.\textsuperscript{52}

Estonia’s transition to a free market economy in the early reflected the difficulties of building an independent economy from the ruins of one that hitherto had been developed for a single market, that of the Soviet Union. The creation of new economic institutions such as a separate monetary system, new regulatory agencies, and new development strategies had to keep pace with the decline of the old economy and its institutions. Real gross domestic product dropped continuously in the early 1990s. Yet among the former Soviet republics, in roughly four years of far-reaching market reforms Estonia became a model of economic transformation. The right-of-center government of Mart Laar, which took office, maintained a pro-market stance despite criticism from opposition parties and agricultural interests, which were more vulnerable to foreign competition. After the introduction of Kroon in June

\textsuperscript{51} Ibid.
\textsuperscript{52} Ibid, p.409.
1992, inflation fell rapidly to an average of less than 3 percent per month in 1993.\textsuperscript{53}

Estonia began its reform process in 1987 with the development of a plan for economic autonomy within the Soviet Union. Drawing on examples from both China and Hungary, the radical proposal called for an end to central economic control over Estonia, a separate tax system, and the adoption of a convertible ruble. Until then, it had been said that as much as 90 percent of the Estonian economy was controlled from Moscow; very little was left for the Estonians to decide for themselves. The decline in living standards beginning in the early 1980s and the "years of stagnation" were viewed as direct consequences of this overcentralization. With Gorbachev calling for a "restructuring" (or perestroika) of the economy, the Estonian proposal was meant to respond to and test this new call for change. The idea was popular among Estonians, not least of all because of the plan's name, Isemajandav Eesti, whose acronym, IME, also means "miracle" in Estonian.\textsuperscript{54}

Despite initial resistance from the old-guard Estonian Communist Party leadership, IME became official policy soon after the appointment of native-born Vaino Väljas as first secretary of the party in June 1988. In May 1989, the Estonian Supreme Soviet approved the plan by an overwhelming majority, sending it on to the Supreme Soviet in Moscow. Kremlin bureaucrats, however, sought to water down the scheme, injecting contradictory clauses that would make the plan unworkable. While the final law passed by the Soviet parliament accorded economic autonomy to Estonia, along with Latvia and Lithuania, it also stipulated that all reform measures be in accord with central Soviet laws.\textsuperscript{55}

In the following months, as the popular mood in Estonia shifted toward full independence, it became clear that the IME plan, too, would get nowhere within the increasingly outdated Soviet system. Still, many of the details and general impetus of IME proved very useful for economic reform down the

\textsuperscript{53} Walter R. Iwaskiw, op.cit, p.39.
\textsuperscript{54} Rein Taagepera, op.cit, p.201.
\textsuperscript{55} Clearance A. Manning,, op.cit, p. 209.
road. In December 1989, the Estonian Supreme Soviet voted to create a central bank, the Bank of Estonia, for the republic as part of the plan for an eventual Estonian currency. Price-reform policies were in full force by October 1990, and an independent law on foreign trade was adopted. Prime Minister Edgar Savisaar sought to broaden Estonia's economic contacts with other Soviet republics, organizing several economic summits in Tallinn with Central Asian and Caucasian leaders. A new tax system was put in place in Estonia, replacing the state budget's dependence on enterprise turnover taxes and phasing in income and sales taxes. In short, economic reform simply was carried out without regard to the Kremlin.56

By August 1991, with Estonia's leap to full independence, the economy was beginning to feel the pain of both market reform and collapsing ties to the Soviet Union. Gasoline shortages had been endemic since 1990, and many enterprises were forced to cut production because of a lack of raw materials previously imported from other Soviet republics. Lax Soviet monetary policy also fueled Estonian inflation, undermining reform efforts as long as the new country remained in the Russian ruble zone. An unprecedented fuel and food shortage in January 1992 prompted Prime Minister Savisaar to ask parliament for emergency powers to deal with the crisis. Deputies in parliament, however, had lost confidence in Savisaar, and in the ensuing political crisis he was forced to resign. Savisaar was replaced by his transportation minister, Tiit Vähi.57

A temporary fuel loan from Finland helped stabilize the situation, but the need to hasten the introduction of Estonia's own currency became apparent. Other economic reforms such as privatization and foreign trade were also being held up by the country's dependence on the Russian ruble. On June 20, 1992, against earlier objections from the International Monetary Fund (IMF--see Glossary), Estonia introduced its new currency, the kroon. With only US$120 million in gold reserves and no internationally backed stabilization fund, Bank of Estonia president Siim Kallas said the country could wait no longer. At 800 exchange points across the country, residents

56 Walter R. Iwaskiw, op.cit, p.41.
57 Ibid.
were allowed to exchange up to 1,500 rubles at a rate of ten rubles to one kroon. Excess cash was exchanged at a rate of fifty to one. Bank accounts were converted in full at ten to one. By the end of the three-day transition period, the move was declared a success, with only minor glitches reported.\textsuperscript{58}

The new Estonian currency became the foundation for rational development of the economy. Although the initial success of the kroon was gratifying, many fiscal challenges remained that threatened to upset monetary policy in the future. Among these was a high enterprise tax debt to the state. In December 1992, this debt, mostly unpaid revenue taxes from large state firms, amounted to about EKR565 million. A year later, this sum had fallen to roughly EKR400 million, but the possibility that the state might need to use its own funds to bail out these ailing firms remained. Another danger to monetary stability was posed by the possible collapse of several private banks in Estonia.\textsuperscript{59}

Following the enactment of reform laws during 1989-90, the state budget in Estonia was broken into three parts: the central government budget, local government budgets, and nine extra budgetary funds. In 1993 (the first year for which figures are provided entirely in kroons), the central state budget ran a surplus of EKR216 million on total revenues of roughly EKR4.2 billion (US$323 million). This surplus, however, was immediately spent in a secondary budget drawn up in October. The central budget included the financing of government operations (ministries, schools, police, cultural subsidies, and so forth) as well as roughly EKR500 million in aid to cities and towns. About half of the revenue for the central budget came from an 18 percent value-added tax on most goods and services. Another 35 percent came from personal income and business taxes. In all, general government taxes (including local taxes) in 1991 amounted to about 47.7 percent of GDP.\textsuperscript{60}

\textsuperscript{58} Ibid.
\textsuperscript{59} Great Soviet Encyclopedia, op.cit, p.327.
After the beginning of economic reform in Estonia, real wages dropped precipitously. Food prices rose an estimated sevenfold as state subsidies were eliminated and the population received only partial government compensation for the higher prices. Fuel prices and apartment rents also increased. Inflation soared even more after independence as trade with Russia broke down even though Estonia remained in the ruble zone. In January 1992 alone, the cost-of-living index rose 88 percent, and in February it rose another 74 percent. The average rate for the year was 1,000 percent according to some estimates. Nominal monthly wages skyrocketed to keep pace, rising from 648 rubles in May 1992 to 3,850 rubles by May 1993.61

The introduction of the kroon in June 1992 did much to stabilize wages and inflation. The average monthly wage settled around EKR500 in August 1992. Thereafter, it began a steady climb, reaching roughly EKR1,200 by the end of 1993. Yet, according to Arvo Kuddo, an official of the Bank of Estonia, real wages in mid-1993 still amounted to only 95 percent of their June 1992 levels and barely 50 percent of their levels from early 1991. In the meantime, wage differentials between the highest- and lowest-paying jobs grew markedly, from 3.4 times to ten times. According to the Estonian State Statistics Board, in mid-1993 the top 10 percent of wage earners received 32.9 percent of all income, while the bottom 10 percent received only 2.1 percent. Residents of Tallinn had the highest average monthly wage, some 20 percent above the national average. Personal savings also declined during this period. In December 1992, 41 percent of survey respondents said they had no significant savings at all.62

The complexion of the Estonian labour market changed rapidly in the early 1990s in the wake of property reform and the growth of private enterprise. In 1990 some 95 percent of the labour force was employed in state-owned enterprises or on collective farms. Only 4.3 percent worked in private cooperatives or on private farms. As privatization continued and the privately

owned share of production increased, the share of state employment was expected to drop even more. Industry (in both the public and the private sectors) employed about 33 percent of workers in 1990; agriculture, 12 percent; education and cultural activities, 10 percent; construction, 10 percent; and trade and catering, 9 percent. The remainder of the labour force engaged in a variety of other activities in the services sector.63

An integral part of Estonia's transition to a market economy during the early 1990s involved reorienting foreign trade to the West and attracting foreign investment to upgrade the country's industry and commerce. In 1990 only 5 percent of Estonia's foreign trade was with the developed West, and of this, only 21 percent represented exports. About 87 percent of Estonia's trade was with the Soviet Union, and of that, 61 percent was with Russia. In 1991 trade with Western and other foreign countries fell further as available hard currency for imports dried up and as many producers of Estonian exports had to cut output because of a lack of raw materials. Although trade with Russia struggled on during the first half of 1991, trade relations broke down after independence was attained in August. New agreements were signed in December 1991, but precise licensing procedures and bilateral trade quotas took several more months to work out. This delayed shipments of fuel and raw materials to Estonia, causing a severe economic crisis.64

The introduction of the Estonian kroon in June 1992 proved decisive in stabilizing foreign trade. By the third quarter of 1992, Estonia experienced strong growth in foreign trade, finishing the year with an EKR136 million surplus. The total volume of trade amounted to nearly EKR11 billion, two-thirds of that coming during the second half of 1992. Moreover, by the end of the year, the very structure of Estonia's foreign trade had begun to change. European countries accounted for 56 percent of Estonia's trade in 1992. While 28.4 percent of Estonia's imports continued to be from Russia, 22.6 percent now came from Finland. Among imports, Estonia primarily continued to

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receive mineral products (27.2 percent) and machinery and equipment (18.3 percent).  

Foreign investment in Estonia began during 1987-88 with the creation of several dozen joint ventures under the Soviet Union's early reform strategy. The number of joint ventures in Estonia grew steadily after April 1990, when Estonian authorities began registering joint ventures themselves. By January 1991, 232 joint ventures had been registered in Estonia; by October 1991, there were 313. Finland led in the number of joint ventures (159), but Sweden accounted for the most foreign capital in Estonia (35 percent). In mid-1990 foreign investment also started coming into Estonia via joint-stock companies—a more flexible form of ownership for both foreign investors and local capital. Joint-stock companies soon surpassed joint ventures as the prime attraction for foreign capital, totaling 803 by October 1991. In fact, many joint ventures later were converted into joint-stock companies. In September 1991, Estonia passed a new foreign investment law offering tax breaks (new ventures were granted a two-year tax exemption) and import-export incentives to foreign investors.  

In early 1992, Estonia also had become a member of the European Bank for Reconstruction and Development, from which it would later receive a total of US$46 million in loans for improving its energy industry. Other foreign loans were received from Japan, the United States, Sweden, and the European Union, among others. As in many other East European countries, property reform in Estonia was intimately linked to issues of property restitution. Estonia's political strategy for independence, with its stress on the illegality of Soviet rule, raised corollary questions and debates during 1989-90 about the legality of the Soviet Union's early nationalization of the economy. The principle of a political restoration of the prewar republic also generated pressures to recognize a kind of economic restoration-recognition of the right 

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65 The Current Digest of the Post Soviet Press, op.cit, Vol. XLVI, No2, p.27.  
66 Ibid.
of previous property owners to reclaim their property or at least to receive just compensation. 67

In June 1991, the parliament passed a second law laying out the basic principles of property reform. Among this law's three explicit objectives was one calling for the "redress of injustice committed by the violation of property rights" under Soviet rule. More than 200,000 property restitution claims were submitted, and much work in municipal archives to verify the claims lay ahead. Although opposed to restitution, the government of Prime Minister Edgar Savisaar (1990-92) relented, with the stipulation that for any prewar property radically altered during the Soviet era, such as reconstructed factories, only compensation would be offered.

In addition, persons currently in houses and apartments subject to restitution claims got assurance that they would not be summarily evicted by the previous owners. With these ground rules, in June 1990 the Supreme Soviet passed the Law on Property, legalizing various forms of property, including individually owned property. The government moved to create the State Property Board (Riigivaraamet) in August to supervise the privatization of at least small businesses and services, which would help to stimulate the economy. These enterprises mostly had been created during the Soviet era and thus were free from potential restitution claims. 68

The Estonian industrial sector suffered more than other sectors during the country's transition to a market economy. Most of Estonia's heavy industry had been developed and managed by central planners in Moscow with imported labour from Russia. In 1990 only sixty-one of 265 industrial enterprises were under direct Estonian control. Forty enterprises, which accounted for 12 percent of Estonia's industrial production, were controlled directly from Moscow. Because many of these were defense related, even Estonian authorities had limited access to them. After independence was regained in 1991, Estonia acquired all of the industrial enterprises on its

67 Trapans Jan
territory and faced the challenge of finding them a place in a market economy.69

Industrial production began to fall drastically as supplies of raw materials from the Soviet Union dwindled. The World Bank reported that in the first nine months of 1991, industrial activity decreased by 10 percent over the previous year's corresponding period. According to the Estonian State Statistics Board, during 1992 total production fell another 39 percent from 1991. Reform of Estonia's agricultural system began in December 1989 with adoption of the Law on Private Farming. The law allowed individuals to take up to fifty hectares of land for private planting and for growing crops. With the introduction of private agriculture, many collective farms began to disintegrate. Corruption and "spontaneous privatization" of farm equipment by farm directors grew. A number of Estonia's more successful farms were reorganized into cooperatives.70

In 1992, there was trade agreement with Russia, that would lay a foundation for furthering economic relations between Estonia and Russia. It has been decided that in the first quarter of the coming year goods procurement will be no less than 70 percent of the last year's level. The government has decided to sign an agreement on the protection of investments with the republic of Finland. Rein Nigul, the deputy agriculture Minister has told the Baltic news service that the proposed prices for foodstuffs here at the end of last year were based on emotions. According to Mr. Nigul, price increases for full electricity, machinery and such things together with any additional related factors have not yet has a substantial impact on agriculture. Income tax reduced for individuals in 1992.71

In the transition period from the Soviet era, the inception of the Government elected in the re-formed state was preceded by the debates over its form in the Estonian Constitutional Assembly. When this Assembly had presented its draft Constitution to the people and organized a referendum,  

69 Ibid.  
70 Ibid.  
when parliamentary elections as well as the elections of the Estonian President had taken place, the first post-Soviet government took office. It consisted of the mainly conservative forces that had supported the Estonian Congress and which had united behind the Fatherland Union (Isamaaliit). The first prime minister was Mart Laar.\textsuperscript{72} During the referendum, almost all Soviet-era immigrants were excluded from participation due to the re-enactment by the transitional government of the 1938 Law on Citizenship in November 1991 which foreclosed automatic citizenship to them and stipulated a two-year minimum residency as of 30 March 1990 plus a further year (the so-called 2+1 rule) before any naturalization could be affected.\textsuperscript{73}

Estonia's policies towards its soviet-era settler population have been predicated on the principle of legal continuity, which holds that the Estonian Republic (established in 1918) remained a de jure independent state under illegal soviet occupation throughout the period 1940-1991. An independent republic between the wars, Estonia was forcibly incorporated into the USSR in 1940 under the terms of a secret protocol to the infamous Nazi-Soviet pact. With a few notable exceptions, the democratic states of the West condemned this take-over as illegal annexation, and thus refused to recognize soviet sovereignty over Estonia and its Baltic neighbours.\textsuperscript{74}

In practical terms, however, Estonia was transformed into a constituent republic of the USSR after the war, undergoing a far-reaching process of sovietisation. One facet of this was massive state-sponsored immigration, which brought about a dramatic shift in Estonia's demographic make-up. Particularly during the later years of soviet rule, the soviet republican government enacted new education laws giving increasing emphasis to the use of Russian as the lingua franca of the soviet state. For many representatives of

\textsuperscript{73} Ann Sheehy, op.cit, September 24, 1993, p. 7.
\textsuperscript{74} David Smith, 'Cultural Autonomy in Estonia A Relevant Paradigm for the Post-Soviet Era?' Working Paper 19/01, University of Bradford, UK, p.11.
the 'titular' Estonian nation, these measures were perceived as inherently assimilative in intent, raising the specter of ultimate russification. 75

Fears for the continued survival of Estonian language and culture gave added impetus to demands for the restoration of independent statehood which arose once Gorbachev's policies facilitated the revival of nationalist movements in the late 1980s. After Estonia regained de facto independence in August 1991, the legal continuity principle was invoked in order to deny soviet-era settlers any automatic right to Estonian citizenship. Under legislation enacted in February 1992, this right was granted only to citizens of the inter-war republic and their descendants. Soviet-era settlers and their descendants who wished to obtain Estonian citizenship could only do so on the basis of naturalization. 76

The establishment of linguistic criteria for naturalization has been accompanied by legislation designed to restore the primacy of the Estonian language. In January 1989, a law was passed establishing Estonian as the sole official state language, a status that was later enshrined in the post-soviet constitution of 1992. In the context of the early 1990s, 'minority' could therefore be taken to apply only to representatives of other national groups who received citizenship automatically under the 1992 law. This category included an estimated 80,000 ethnic Russians, who either themselves belonged to the inter-war Russian minority or are descendants thereof. To date, little specific attention has been devoted to the status and attitudes of this 'established' Russian minority. Much of the recent work on Estonia has proceeded from the notion of a homogenous 'Russian-speaking' identity group, while disproportionate attention has been devoted to the question of the non-citizen majority. Yet, as the number of soviet-era settlers naturalized as citizens progressively grows, the language of 'minority rights' looks set to displace the current dominant discourse on 'integration of the non-citizen population'. 77

75 Ibid.
77 Ibid.
In this regard, Estonia had already put in place a comprehensive legal framework governing the rights of national minorities. Article 50 of the 1992 constitution states that ‘national minorities have the right, in the interests of national culture, to establish self-governing agencies under conditions and pursuant to procedure provided by the national minority cultural autonomy act’. The following article establishes Estonian as the official language of state and local government, yet states that ‘in localities where at least half of the permanent residents belong to a national minority, everyone has the right also to receive responses from state agencies, local governments and their officials in the language of the national minority’.78

Unlike in inter-war Estonia, territorially-based provision for minorities does not give local authorities the right to establish minority language schools in districts where minorities constitute at least half of the permanent residents. However, in recognition of existing realities, state education in Russian-language primary and lower secondary schools is set to continue for the foreseeable future.

The Estonian citizenship policy also reflected a self-defense reaction of Estonians: their wish to return to the normal course of history, their fear to be at a vanishing point because of rapid ethno-demographic changes in 1945-1989, their need to preserve the national identity, which were closely linked with their decision to integrate only loyal non-Estonians into political bodies of the Estonian state (moderate exclusionism). Loyalty of non-Estonians equalized with their consent to the procedure of naturalisation, where the language requirement was the main obstacle for non-Estonians (data from the 1989 census showed that 85 per cent of non-Estonians knew no Estonian at all) and the main instrument of their political marginalisation. Even the waiting period requirement gave a political effect to provide "elections free from Russians" during the year of 1992.79

79 Olga Zurjari-Ossipova, "Human Rights as the political-juridical issues of the Estonian-Russain Inter-State relations", (Institute of International and Social Studies, Tallinn, 1997), p.34.
However, the public opinion background for the decision-makers in Estonia was not very strong: answering the question as to the suffrage of non-citizens (the proposal of the Centrist party to broaden the electorate with the citizenship applicants) 46 per cent of voters voted for the extension of the electorate in the referendum on Constitution of June 1992.\textsuperscript{80}

Besides the citizenship and rights of the minorities and statehood problems, there was a major problem of geographical entity. Estonia lost a silver of land across the river by Narva and the Peteseri area in the southeast near Pskov. At the northeast, Abrene, also the RSFSR. After regaining independence, Estonia raised this issue publicly. Estonia reached an agreement with Russia over a joint investigation of the human rights of the minority in the region. However, in the view of the consistent focus by Baltic politicians on the illegality of the soviet occupation, there was a great likelihood that these boundary questions would be raised in the future.\textsuperscript{81}

Regarding the border issue Estonia points out that under the Tartu peace Treaty of February 2, 1920 approximately 2000 km east of the narva river and the Pechory district, part of the Pskov region should belong to Estonia. Estonia included reference to the Tartu Treaty in its 1992 constitution. The Estonian authorities issued thousands of passports for the ethnic Estonians resident in the Pechory districts. Russia suspected it of intending to create a critical mass of Estonians in the district to lay the legal foundations for calling a referendum and subsequently annexing the territory. The Estonian border regulations are considered in Moscow to be unjust to Russian maps have been issued which indicate some Russian territories as being under Estonian jurisdiction and Russia had threatened Estonia with retaliation. Russia has refused to discuss territorial issues with Estonia, officially declaring the principles of the Status quo.\textsuperscript{82}

\textsuperscript{80} Ibid.
\textsuperscript{82} Ibid, p.347.
The border questions remain an issue because territorial disputes are important to be resolved, before full and final recognition by other independent states. The European Union and NATO membership questions have been placed on hold. It is thought that Estonia will not be admitted is a member before the century and the matter can be left unresolved. It is however, an issue which has been compared to the situation Japan finds itself in with Russia over the Kurile Islands, where political scientist Rein Taagepera suggested that Estonia wait in connection with the border issue as the Japanese do, meaning in fact that Estonians would never yield. It is evident that Estonia’s unresolved issues have international ramifications. Acceptance into the European Union clearly presupposes the resolution of the territorial issues, indicating the independence even though achieved, does not end matters, because the reintegration into the international society is incomplete. \(^{83}\)

In reaction, Estonia raised this issue in the Organization for Security and Co-operation in Europe (OSCE) but failed to attract any serious attention to the problem. As a result of Russia taking unilateral measures and lack of international support, the majority of the Estonian political parties have begun to be inclined to compromise with Russia over the border issue. At the end of 1994, Prime Minister Andres Tarand said that Estonia was prepared to make concessions on the borders if Russia agreed at least to recognize the Tartu Treaty as the basis for the relations between the two countries. As far as Economy is concerned, Estonia adopted radical economy, which subsequent led to two key challenges. The first challenge was linked to the development of foreign trade and the second was the reorientation of their domestic economies to meet the needs of the domestic market and to establish their place in the new Europe. Besides these two challenges, many of the problems currently faced by Estonia due to the collapse of the centralized Soviet trading system. \(^{84}\)

\(^{83}\) Heidi Eskor, *Some Parallels in the Emergence of Estonia and Quebec as Nation-States in the context of International Relations*, (Tartu, 1996), p.48.

Prior to the collapse of the Soviet Union, inter-republican trade was managed by the central planning system with the key actors being the all-union industrial ministries. Since the 1991 liquidation of the Soviet bloc, Estonia has ranked behind only the Czech Republic and Hungary in the level of foreign investment per capita. In 1992, Estonia became the first formerly Soviet country to create its own currency, the Kroon, where value was fixed to the German Mark. This created a financial stability at a time when the Russian rouble value, for example was plummeting thousands fold. In early 1992, Estonia decided not to join the CIS (Commonwealth of Independent States) and sought to re-negotiate its trading agreements with the Russian Federation. These agreements have been taken the form of barter agreements based on the tradition pattern of trade between the two republics.

To secure independence, it was vital that the occupation forces of the Soviet Union leave and that their military bases on Estonian territory (including the Tallinn and Paldiski naval bases) be closed. In September 1992, there were about 40 000 soldiers of the Russian army in Estonia; they occupied 2% of the state's territory. International organizations and the public supported the demand that the residue of the Russian army be taken out of Estonia. This constituted the main issue in Estonian-Russian negotiations, which initially produced no results. The breakthrough in negotiations came as late as July 1994 at the summit meeting in Moscow between presidents Boris Yeltsin and Lennart Meri; it took place due to the support of Western countries. The heads of state signed a treaty concerning deportation of the armed forces on 31 August 1994. The Republic of Estonia granted the remaining retired servicemen the right to apply for residential permits.

Although these agreements found universal approval in the international arena, and strengthened Estonia's international position, they brought about a sharp political discussion in the country. In terms of the development of the Estonian state, the deportation of alien military forces

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86 Ibid.
constituted a kind of final landmark in the process of restoring its independence.\textsuperscript{87}

As far as the state administration is concerned, According to the constitution adopted in 1992, Estonia is a parliamentary republic where the ultimate executive power is vested in the people. The highest legislative body is the Riigikogu (101 members). The higher executive power - the Government - operates according to the Government of the Republic Act, which was passed in 1995. The executive power in the provinces belongs to local authorities. The development of legislative and executive power has proceeded within the framework of constitutional order. This development has confirmed that Estonia has a multi-party system founded on the Political Parties Act (1994).

The most important laws which safeguard the functioning of the state and economy have been passed. Estonia is a nation state. The constitution establishes that the state must "secure the preservation of Estonian nation and culture throughout the ages". The rights of national minorities are guaranteed by democratic laws. The Estonian judicial system proceeds from the principle of legal continuity and the example of the laws of the European Union member states. The Estonian judicial system belongs to the group of continental judicial systems and is based on Roman law. A three-tier court system has been established which consists of city and county courts, circuit courts and the Supreme Court. The present court system is based on the Courts Acts and the Status of Judges Act adopted in 1991. The judges are appointed for life.\textsuperscript{88}

The political climate of the mid-1980s to early 1990s was therefore a vital ingredient in the breaking free of the Estonian state – the key words were the recognition of the existence of the Molotov-Ribbentrop Pact; the end of the Cold War with the consequent release of the Central and Eastern European states from Soviet domination; the consequent change in the international

\textsuperscript{87} Summary of World Broadcast, op.cit, SU/19121, (February, 1994), p.E1-3.
climate as expressed in the Paris Charter and Copenhagen Document, among others; and internally the power struggle between hard-line communists and radicals which the then Soviet President, Gorbachev, was not able to contain and which resulted in a power vacuum towards the republics filled by their steps towards independence. Therefore, the Estonian state doctrine, its refounding myth, as it were, could be applied in both domestic and external terms. 89

Before some of the important consequences of this doctrine with regard to the people defining the state and the possible illegality of parts of the population in the Estonian territory will be discussed, some basic points with regard to the rightfulness of the Estonian claim to regain independence must be examined. The first problem in terms of international law is that whether or not Estonia is a ‘nation’ as such, which is compounded by the problem that no real definition exists in international law which precisely outlines the criteria for such a definition. However, it may be surmised from the fact that the Baltic States including Estonia had already been recognized states in the 1920s and 1930s that all three states were, and are, based on a ‘nation.’ For from this it follows that based on the principle of self-determination they may split from the USSR for both moral and positive legal norms. The reasons for this, in review, were as follows.

Under positive legal norms of the day, the incorporation of the Baltic states including Estonia was effected under duress and the political process perverted which led to supposedly ‘freely elected’ parliaments which would therefore claim ‘legitimately’ representing their population in their ‘request’ for accession to the USSR. 90 Therefore, the claim to restore Estonian independence was justified under positive international law. In addition, moral legal norms give further weight to the claim to restore independence. For as has been demonstrated in the above chapters, the Estonian state in its form as part of the Soviet Union, i.e. as ESSR, suffered:

1. unequal economic costs, indeed exploitation of its ecologic and economic potential in that most produce were exported from the ESSR to other parts of the Soviet Union, including energy; therefore the action of the Soviet Union as such could be regarded as discriminatory redistribution.

2. an assault on their culture, in particular their language, by the sustained ideologically rationalized efforts to support the Russian language while the Estonian language was partially pushed out of public life – e.g., dissertations on the Estonian language had to be submitted in Russian. As opposed to this, the Estonians already in the 19th Century, but also in the time of their own statehood have proven to be self-aware of their culture and their language as one of the most important parts of their identity.

3. the threat of extinction through genocide and deportations, at least during part of their history in the USSR, as demonstrated in the above chapters; in doing so, the USSR abdicated its right to claim and exercise legitimate sovereignty over the Baltic states including Estonia.\(^{91}\)

While the above is the sharpest version of the Estonian hardliners' arguments, note that this reflects the mode of the transition period where the moderate forces lost out. Any assessment of the post-Soviet legal acts must be seen in the light of this argument which forms the backbone of post-Estonian state building and the core of the Soviet 'nationalities' question in reverse: it is now the Soviet-era immigrants that find themselves in a minority position.\(^{92}\)

In the early years of transition, the political scene in post-Soviet Estonia had to deal with a multitude of aspects going probably beyond the daily routine of Western governments. Estonia's new era of democratic politics began slowly in the 1990s with the adoption of a new constitution and the formation of stable political groupings. Several mechanisms in the constitution were beginning to function to ensure a balance of power and steady government. Citizenship issues, however, caused tensions among the


\(^{92}\) Ibid.
country's 500,000-strong Russophone population, most of whom had been denied automatic citizenship rights in 1991. Their naturalization and integration into Estonian society remained a significant challenge.  

Comparing Estonia with the other Eastern European states, one will notice certain stability. The coalition government has been able to successfully withstand different pressures and attacks for more than two years. There are some causes of political stability which follows:

- The agreement that there is only one road to take: to free market economy and to the democratic state
- An electoral system that promotes the creation of coalitions and strong party discipline, despite the embryonic nature of the parties themselves
- The presence of a political culture based on extreme forms of individualism, and the ready forgiveness for minor breaches of law combined with a weak and underdeveloped legal system.

In addition to these conditions, the former-now acting-government has been successful in the area of economic reforms and has been prized for this by the international community.

The major landmark in economic restructuring was the introduction of the Estonian currency, the kroon, in July 1992. However, the popularity of the current acting government is very low: people are wondering whether the price they have paid was right. By the time of writing this article, Isamaa was in the process of disintegration. Having been a coalition in itself, created for gaining an election victory and cemented by that victory, it is now facing grave difficulties over disagreements about the upcoming elections. The political transition period could be regarded as being over with the completion of the withdrawal of former Soviet troops from Estonian soil on 31 August 1994. Therefore, the next elections will probably focus on socio-economic issues and corruption. The voters might show a similar kind of dissatisfaction with their economic conditions and their political leadership as in the rest of Eastern Europe. The strong disagreements within Estonia regarding the

Russian troop withdrawal treaty (i.e., whether too many concessions were made) might become a central issue, but it seems that the importance of this event is already waning.

The new political system outlined in the Constitution of 1992 has been successful in fulfilling its task of providing a stable government—after all, Prime Minister Laar's government enjoyed the longest duration in the history of independent Estonia. It has not been successful in creating a responsible government. The idea of a representative democracy is over with the announcement of the election results. There is very little that people can do to voice their disagreement with the behavior of political elites during the times between elections. In 1992, Estonians chose inexperienced political leaders together with an inexperienced bureaucracy. Taking into account the age, education, and experience of these people, one could say that the normalization of political life has been a remarkable success.

The mass media in Estonia played a catalytic role in the democratic upsurge of the late 1980s that led to independence. Responding during 1985-86 to Mikhail S. Gorbachev's call for glasnost (openness), the Estonian media, especially newspapers, began to focus on the many social and economic problems afflicting the country at the time. Yet, the blame for these social and economic ailments soon began to fall on the political system, an outcome that Gorbachev had not intended. The daily newspaper of Estonia's Komsomol, Noorte Hääl, took the lead in exposing the abuse many young Estonian men were suffering in the Soviet army.

Many Estonian cultural publications, such as the weekly newspaper Sirp ja Vasar and the monthly journals Looming and Vikerkaar, carried historical overviews of Estonia's annexation in 1940 and of the deportations that followed. Finally, on television and radio, several roundtable debate programs were aired, where more ideas were articulated. As political
mobilization grew, the mass media became interactive players, reporting on the new events while giving further voice to varied opinions.94

In the early 1990s, the Estonian media diversified greatly as competition among newspapers grew. In 1992 a new daily, Hommikuleht, was launched by a group of private investors. Estonia was also the base for the Baltic’s largest circulating English-language newspaper, Baltic Independent. Still, the growth in the number of newspapers could not compensate for a rise in subscription rates and a decline in overall readership. Television and radio changed as well. Several regional radio stations also began broadcasting. Estonian state television received competition in the fall of 1993 when the government gave rights to three companies to start broadcasting on two channels previously used by Russian television. Earlier, the government had decided to stop paying for the rebroadcast of the Moscow and St. Petersburg channels in Estonia.95

In 1990, after it regained independence, Estonia adopted independent foreign policy and tried to strengthen its relations with the western countries. In the policies of Estonia vis-à-vis international institutions, the initial emphasis was to gain independence and international recognition, to establish diplomatic contacts, and to represent Estonia in international arena. Estonia succeeded to reinstate its independence and to get international recognition. The western countries granted Estonia as the status of “distinguished guests”. It is interesting to note that the then President of the Soviet Union ( in 1990) Gorbachev rejected and threatened to leave the meeting if Estonia was allowed to sit on an equal footing in the CSCE Conference. The opportunity whereby Estonia could finally break its international isolation emerged with the coup d’etat in Moscow on August 1991. Estonia adopted laws on the full restoration for their independence on August 20-21, 1991, respectively. In the aftermath of the failed coup, Russia granted recognition on August 24, 1991 and the western powers also recognized Estonia as an independent republic.96

94 Ibid.
95 Ibid.p.23
Both before and after independence, Estonia's foreign policy had a strong Western orientation. Western recognition of Estonia's legal independence was a key source of strength for the republic in its struggle with the Soviet Union. After 1991, Estonia worked to maintain that relationship and integrate with European political institutions as a further safeguard against potential threats from Russia. The last Russian troops stationed in Estonia after 1991 finally were withdrawn in August 1994, but relations with Yeltsin's Kremlin remained cool. Growing instability in Russia and Western attempts to placate Russian nationalism left Estonia anxious for greater European security guarantees but wary of being squeezed again in great-power politics.97

During 1990-91 Estonia undertook a vigorous lobbying campaign on behalf of international support for its bid for independence from the Soviet Union. The Estonian foreign minister at the time, Lennart Meri, was one of several Estonian officials who traveled widely to sustain the Western commitment to the republic's independence. Although the West generally remained in favor of renewed statehood for Estonia and the other Baltic states, Western leaders believed that the real key to that independence lay in Moscow. In August 1991, release of that key came in the form of the attempted coup d'état by conservative elements of the Soviet government.98

In the wake of independence, Estonia moved quickly to join the international community. In September it was admitted to both the United Nations (UN) and the CSCE. In the UN, Estonia would later find common ground with the East European countries as well as participate in the organizations various committees and auxiliary bodies, such as the United Nations Educational, Scientific, and Cultural Organization (UNESCO), the United Nations Conference on Trade and Development (UNCTAD), the International Atomic Energy Agency (IAEA), and the United Nations Development Programme (UNDP).

97 Petti J. and Juris Prikulis, "The Foreign Policy of the Baltic Countries: Basic issues", (Riga Centre of Baltic- Nordic History and Political States, 1994), p.35.
98 Ibid.
In March 1992, Estonia took part in the creation of the Council of Baltic Sea States, an association of all the countries bordering the Baltic Sea and dedicated to furthering regional economic and political cooperation. A year later, the Estonian representative was elected to a one-year term as president of the organization. In the realm of security, Estonia joined the North Atlantic Cooperation Council (NACC) in late 1991 and actively sought support for its efforts to become a member of the North Atlantic Treaty Organization (NATO). Cooperation with the European Union included significant economic aid as well as talks on a free-trade agreement.99

Estonia's greatest foreign policy success came in May 1993 with its admission to the Council of Europe. After applying in September 1991, Estonia had to hold its first free parliamentary elections in 1992 before being seriously considered for membership. Although Estonia's citizenship policy came under close scrutiny by council delegations, in the end they accepted Estonia's legal arguments for denying automatic citizenship to Soviet-era immigrants, taking encouragement from the non-citizens' right to participate in local elections. Estonia considered admission the equivalent of a clean bill of health for its young democracy, which Russia had sought to tarnish with accusations of human rights violations.100

In the mid-1990s, Estonia's staunchest foreign allies were the Scandinavian countries, particularly Denmark and Sweden. In 1990 the three Baltic States established regular contacts with the Nordic Council, the main political organization uniting the five Scandinavian states. Denmark's Prime Minister, Poul Schlüter, became in 1991 the first Western head of government to visit Estonia. The Swedish Prime Minister, Carl Bildt, became an outspoken defender of Estonia after Russian threats to impose economic sanctions on Tallinn heightened tensions in 1993. In some respects, the development of Scandinavian ties appeared to be a higher priority for Estonia than the fostering of greater Baltic cooperation, begun during the three republics' common struggle for independence. Baltic leaders held regular summit meetings beginning in 1990 and issued numerous joint declarations

100 Ibid, p.62.
concerning their relations with Russia. An interparliamentary Baltic Council was established in 1990 to promote further cooperation at semiannual meetings.

In mid-1993 Baltic military commanders even met to discuss plans for a joint infantry battalion that would be offered for peacekeeping missions around the world. Yet, progress on a free-trade agreement among the three countries was slow, and this situation was not helped in 1992 when Estonia elected a center-right government while Lithuania voted back in Algirdas Brazauskas and the former communists. Ultimately, a free-trade agreement was signed in April 1994.101

Estonia's relations with the United States were strong, although the George H.W. Bush administration's initial delay in establishing diplomatic ties with the republic disappointed many in Tallinn. The United States held off recognition for several days in deference to Mikhail S. Gorbachev. However, Secretary of State James A. Baker visited all three Baltic States in September 1991 and five months later was followed by Vice President J. Danforth Quayle. Relations with the William J. Clinton administration appeared solid, although some Estonian officials expressed concern about what they perceived as its unqualified support for Russian president Boris N. Yeltsin.102

Estonia's ties with Boris N. Yeltsin had weakened since the Russian leader's show of solidarity with the Baltic States in January 1991. Issues surrounding Russian troop withdrawals from the Baltic republics and Estonia's denial of automatic citizenship to non-citizens ranked high on the list of points of contention. Immediately after independence, Estonia began pressing the Soviet Union, and later Russia, for a speedy withdrawal of Soviet troops from its territory. Estonia insisted that the process be completed by the end of the year. The Soviet government, citing a lack of available housing for its troops, said not before 1994. In January 1992, some 25,000 troops were reported left in Estonia, the smallest contingent in the Baltic States. Still, more than 80,000 hectares of land, including an inland artillery range, remained in

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102 Ibid.
the Russian military's hands. More than 150 battle tanks, 300 armored vehicles, and 163 battle aircraft also remained. The last troops did not leave until August 1994.\textsuperscript{103}

In the fall of 1991, Estonia laid down its new citizenship policy. Under the citizenship policy, most of the country's large ethnic Russian minorities were declared noncitizens. The Soviet government linked the further withdrawal of troops from Estonia to a satisfactory change in Estonia's citizenship stance. In response, Estonia denied the human rights charges and invited more than a dozen international fact-finding groups to visit the country for verification. As the propaganda war and negotiations dragged on, Estonia and the other two Baltic countries gained international support for their position on troop withdrawal at a July 1992 summit of the CSCE in Helsinki. The final communiqué called on Russia to act "without delay for the early, orderly and complete withdrawal" of foreign troops from the Baltic States. Resolutions also were passed in the United States Senate in 1992 and 1993 linking the issue of troop withdrawals to continued United States aid to Russia.\textsuperscript{104}

Yet, Estonian and Russian negotiators remained deadlocked throughout 1993. At several points, President Yeltsin and other Russian officials called an official halt to the pullout, but the unofficial withdrawal of forces continued. Territorial issues also clouded Estonian-Russian relations. Estonia continued to stick by its demand for the return of more than 2,000 square kilometers of territory annexed to Russia by Stalin in 1945. The annexed land was within the borders Estonia and Russia had originally agreed to as part of the 1920 Tartu Peace Treaty. However, the Yeltsin government disavowed any responsibility for acts committed by the Soviet regime.\textsuperscript{105}

Although the ultimate goal of ensuring protection against an outside attack appeared remote, Estonia was hard at work building up a defense force in the mid-1990s, with plenty of outside help. The most dramatic step the

\textsuperscript{104}\textit{Summary of World Broadcast}, op.cit, SUW/0312, p.WB.1
\textsuperscript{105} Ibid.
country took was the appointment in May 1993 of Aleksander Einseln, a retired United States Army colonel and émigré Estonian, to command Estonia's fledgling armed forces. The decision drew strong objections from the United States Department of State, which feared upsetting Russia by allowing former United States military personnel to serve in high posts in the former Soviet Union. The United States threatened to revoke Einseln's military pension and even his citizenship. Support for the new Estonian general from several United States senators, however, helped ease the controversy.\textsuperscript{106}

In the realm of security, Estonia joined the North Atlantic Cooperation Council (NAAC) in late 1991 and actively sought support for its efforts to become a member of the North Atlantic Treaty Organization (NATO). The principal objectives of Estonian foreign policy are to resolve the pending succession issues with respect to the former Soviet, to accelerate into integration with the West European political, economic and security systems, to develop links with Nordic states of common interest and further directions of cooperation with its two neighbouring states. The main focus of Estonian foreign policy is Estonia's integration into the European Union and enlargement of NATO, which is linked to EU enlargement.\textsuperscript{107}

As Estonia entered its fourth year of independence, it had already built a strong record of achievements. In the midst of the August 1991 coup, Estonia's politicians had had the foresight to convene a constitutional assembly and seize the moment for political restructuring. The process of constitution making was completed in a relatively orderly manner, and the new basic law was successfully implemented. Lasting political parties had yet to develop, however, half a decade after open parliamentary politics began with the Supreme Soviet elections of 1990, the factions in parliament continued to fragment and regroup. Part of Estonia's problem may have been its small size. Because the circle of politicians was not very large in a country

of only about 1.5 million people, there were relatively little turnover, and old rivals and allies were constantly pitted against each other.\(^{108}\)

The first era of independence had witnessed the same problem. Yet, Estonia's decision to stick to a parliamentary system of government in 1992 appeared to be a good one, even though it was the same system that had been the undoing of the country's first democracy in 1934. More safeguards had been built into the 1992 constitution against parliamentary domination of politics. Lennart Meri's tenure as Estonia's first postwar president appeared to mold the new office into a source of balance, despite grumblings from his Isamaa backers. A new court system was also put into place, with effective use being made of provisions for testing the constitutionality of laws.\(^{109}\)

Yet, politics did not reach the lives of all of Estonia's residents. Having been left out of the parliamentary elections in 1992 because of citizenship requirements, Estonia's large Russophone population was virtually absent from national politics. Russians dominated in the city councils of the heavily Russian towns of Narva and Sillamäe, in the northeastern part of the country, but their political presence rarely extended beyond the city limits. Even a last-ditch local referendum on territorial autonomy for the northeastern region, declared in July 1993 in response to the Law on Aliens crisis, largely failed because of numerous reports of voting irregularities.

Most of these Russian leaders--who had long histories as communist party functionaries, who had tacitly supported the August 1991 coup, and who had held on to their political turf since then--finally were ousted in the local elections of October 1993. A new core of Russian leaders began to emerge in Tallinn, where two Russian-based parties did well at the polls and were poised to play an important role in the capital's city council. From that point, a responsive mainstream political society could begin to serve a Russian

\(^{108}\) Walter R. Iwaskiw, op.cit, p.79.
\(^{109}\) Ibid.
population that seems determined to remain in Estonia and willing to contribute to its future.\textsuperscript{110}

The progress of Estonia's economic reforms in the early 1990s, if only in comparison with Russia, was clearly a source of confidence among both Estonians and Russians in the future of the country. Estonia was the first of the Baltic states to jump out of the ruble zone and create its own currency, a move that was soon rewarded by low inflation, rising wages, and an apparent bottoming out of the country's economic decline. Nevertheless, a large section of the population continued to fear unemployment. Retraining for new skills needed on the open market (such as learning the Estonian language for many Russians) also was a pressing need. Estonia was not alone on its long road neither to recovery nor in its return to the European community of nations. Yet, even among so many countries with kindred past and a common desire for a better future, the hoped-for dawning of a new geopolitical age did not appear to have taken place by the mid-1990s.

Estonia and the other Baltic states remained of strategic interest to the Kremlin, and the West appeared to have little intention of crossing Russia on its very doorstep. European, and especially Scandinavian, support for Estonia's defense forces was noticeable. But it would take a long time before a credible Estonian force could be assembled. Although the Russian troops had finally departed, full security for Estonia seemed to remain distant.\textsuperscript{111}

\textsuperscript{110} Ibid.
\textsuperscript{111} Ibid.