

Part III

Freedom and Its Discontents

Chapter 13

Estonia's Path Out of the Cold War

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In 1940, following the Nazi-Soviet conspiracy of 1939, the Soviet Union occupied and annexed three independent countries on the shores of the Baltic Sea: Estonia, Latvia and Lithuania. In so doing the Kremlin took a bite it never could fully digest. The Western world did not recognize the annexation and continued this non-recognition policy until each Baltic country restored its statehood. Throughout this time, diplomatic representatives of the Baltic countries continued to work in Western capitals. The Soviet Union sought on several occasions to gain from the West *de jure* recognition of Baltic countries as part of the Soviet Union, but without success.

As soon as 1940-41 massive resistance began in the Baltic countries themselves against Soviet rule with the aim to restore statehood. After mass deportations on June 14, 1941 partisan movements spontaneously emerged that helped to push the Soviets out of the country. When the German occupation started, the resistance movement again went underground. By the time the Red Army reached Estonian borders in 1944, Estonians joined the German army, helping to stop the Soviets for eight months. Then in autumn 1944 Hitler decided to abandon Estonia and the Red Army took the country over again.

During the German retreat Estonians attempted to restore the independent Republic and form a new government, but they were crushed by Soviet tanks. Nevertheless, for many people the war was not over. Men and women hid in forests and swamps and continued to fight. They were called forest brothers. Fighting went on for more than ten years, with the last known forest brother killed in action in 1978. Even then their legend lived on. And this legend was much harder to destroy. The forest brothers created a tradition of resistance. They were followed by underground networks of school youth, then by political dissidents. An important role was also played by cultural resistance—keeping up the Estonian language, Estonian cultural orientation and traditions, and most importantly, memory. All this helped to keep the

flame of resistance alive, even though for many people it only appeared to be smoldering ash.

Although daily life was strongly influenced by Soviet power, Estonia was still deeply different from the rest of the USSR. The majority of Estonians did not accept the new Soviet identity as their own. In the Baltic countries, where Soviet power had been present one generation less than in the other parts of Soviet Empire, there were many people who remembered lost independence. The time dimension of their world was orientated to the pre-Soviet past. The traditions of free Estonia were kept alive. Estonians remained culturally oriented towards Western Europe and Scandinavia. Everyday contacts with life in the Nordic countries, in particular via access to Finnish television, played an important role in Estonian lives. The Baltic people sympathized with the West and were eager to get any information beyond the Iron Curtain. As a result, Estonians kept their history alive through their memories of independence, while looking at the same time to the future.

In the late 1980s, with a weakening of the Soviet Union and increasing Western pressure, dissident movements everywhere in the Soviet bloc gathered strength, becoming more and more active. The morosity of the Soviet system became clear to more and more people. In addition, the policy of Ronald Reagan and Margaret Thatcher pushed the Soviet Union into a corner. In order to survive and become socio-economically competitive the Soviets would have to reform. As the entire Soviet system was built upon fear and strength, the system of control began to disintegrate. The stagnant economy began to collapse.

I and most other people from the future party *Isämaa* came from the anticommunist resistance. I had been active in independent student movements that tried to preserve historical memory of the nation. I participated in an underground press and published my first works in *samizdat* not under my own name. I was interrogated by the KGB and lost my job at the university.

The collapsing Soviet system opened up new possibilities for my generation; we did not want to heal it, we wanted to crush it. We used every possibility to push boundaries more and more every month. I participated actively in the early demonstrations and played a role in the buildup of the first public national organization in Estonia, the Es-

tonian Heritage Society, which aimed to reestablish Estonia's historical memory. We started to gather oral histories from the communist years. After I published the early results of my work, I was personally attacked and a criminal case was brought against me. I was accused of insulting the Soviet army and security. I almost became the last political prisoner in the Soviet Union. Protests luckily stopped the authorities. During the "singing revolution" the Soviet system practically collapsed in our country.

Seen from one perspective, we lived in a new reality. From another perspective, however, the old Soviet institutions were all still intact and Estonia was still part of the Soviet Union. Popular resistance sought to force former communist leaders from power, but those leaders maneuvered to stay in power by appearing to change their stripes. A second echelon of reform Communists founded the so-called Popular Front that supported *perestroika* and fought both the former nomenklatura and the growing independence movement.

During these developments the economic situation in the Soviet Union deteriorated. In steady decline since the mid-1970s, by 1988 the economy began to worsen rapidly. This gave more strength to independence demands. More and more people began to understand that to get out of the economic crises we needed to start market-orientated reforms rooted in programs of stabilization and liberalization. To do this, we believed we had to get out from the Soviet Union and ditch communism.

Changing Estonian attitudes were documented by polls conducted by EMOR. People were asked what kind of political status they would want Estonia acquire to the future. Possible answers were "a Union republic within the present federation (USSR)," "an independent state in a confederation (USSR)," or "an independent state outside the USSR." In 1988 very few people wanted the current situation just to continue; the options of confederation and independence received roughly equal support. By April 1989, however, 56% preferred independence and 39% preferred a confederation.

Different visions for an independent Estonia emerged. Many were a function of one's perceptions of Moscow's strength. As long as the Kremlin still seemed strong, the idea was presented to make Estonia

another Hungary, independent but with “goulash socialism,” and still inside the Soviet bloc.

Meanwhile, after the revolutions of 1989 and subsequent electoral changes, the former Soviet satellite states in Central and Eastern European countries each turned their focus to a sustainable transformation into capitalist democracies. Thus, the Hungarian example was no longer relevant for Tallinn. Estonia then looked to Finland, an independent but non-aligned state, even if Estonian perceptions of Finland were somewhat awkward. In the Estonian mind, for instance, Finland’s country code SF (Suomi-Finland) translated into Soviet Finland (which of course was not the true political reality).

It quickly became clear that the Soviet Union was so weakened that it could not force the Baltic countries to stay in the Union, and therefore all these ideas fell by the wayside. The Estonian people decided to take their future into their own hands. Since the Estonian Republic still existed *de jure*—if not *de facto*—and was recognized by the Western powers, it was merely necessary to seek to “restore” it. For this purpose, citizens of Estonia had to be registered. Then citizens could elect representatives to the Congress of Estonia, which could determine the future of the country. On February 24, 1990 the Estonian Congress was elected, and some weeks later also the Supreme Soviet of the Estonian SSR, representing all inhabitants of the Estonian SSR, including the Soviet army. Each of these bodies declared that it would take steps toward the restoration of an independent Estonia.

The Congress of Estonia was ready to cut connections with the Soviet past more radically, the Supreme Soviet tried to move more carefully. The main difference between them lay in the choice how to restore independence: through restitution of the pre-war Estonian Republic on the grounds of international law; or by gradually taking over the existing organs of state power, seceding from the Soviet Union and proclaiming a new Estonian Republic. The majority of Estonians thought that the two must cooperate: both options for regaining independence should be considered and one of them realized, depending on circumstances.

From the beginning of 1990 these institutions took the lead in restoring the independence of Estonia and to gain international support for/in this process. The Estonian Congress was recognized in the West,

but not in Moscow; the Supreme Soviet in turn was recognized as legitimate by Moscow and to some extent also in the West. As the Western powers had continued *de jure* to recognize the existence of an occupied Estonian Republic, it was not necessary to re-recognize the state. One needed only to restore diplomatic relations. And this is exactly what happened in 1991.

During all of these discussions the Soviet Union collapsed in 1991 and then officially ceased to exist. The Baltic countries declared that they were again independent in the wake of the August coup, and the Western world re-established diplomatic ties. Estonia, Latvia and Lithuania also became members of the United Nations and they reentered other international organizations, such as the International Parliamentary Union or the Olympic movement, where their membership had lain dormant for the previous five decades.

Nonetheless, the main question remained: where did the Baltic countries belong? Would they stay in the same orbit with the other former Soviet republics—and in Russia's sphere of influence? Or would they return to the West? Before World War II Estonia had stayed outside of alliances and security arrangements and then lost its independence. In other words, we had once tried to be neutral, and for us (unlike for Finland and Sweden) this was not the best experience. The lesson from the past was clear: Estonia must not stand alone in the future again; it must stay outside Russia's near abroad: it must take sides and become member of security arrangements with countries sharing similar values.

At the same time, we knew perfectly well that an important reason for the survival of our nation during the decades of Communist oppression was its strong moral and ideational connection with the rest of Europe. People expected that the self-evident outcome of political liberation would be their "return to Europe"—that is, to become members of both the EU and NATO. It was clear that this might not be possible immediately. But if we did not start to move toward our goals with urgency, it might be possible that we would never manage to attain the desired outcome for our country.

At the beginning our hopes seemed like empty words, because in reality Estonia had been so bound into to what now was the post-Soviet space. At the start of 1992 Estonia was totally dependent on Russia. 92.5% of trade was with Russia, and most of our energy resources came

from the East as well. No one could imagine how Estonia could cut loose by severing so many old ties and creating so many new ones. But if we wanted to join the West, we had to.

As a first step we had to quit the ruble zone. In summer 1992 Estonia introduced its own convertible currency, the Estonian kroon, using currency board arrangements and pegging it to the Deutschmark. After a whole year of economic troubles caused by the ruble's galloping inflation, the misery of empty grocery stores, never-ending queues, food stamps instead of salaries, having in one's pocket a convertible currency with the pictures of national cultural heroes on the bank notes seemed to people to be not less important than to have an Estonian passport, which also came into use that same summer.

The desire to join the West found further ratification by the first free elections of post-Soviet Estonia, which made Lennart Meri president and me Prime Minister. We made membership in both the EU and NATO our priority.

Estonia could have taken several avenues. One would have been to join the Commonwealth of Independent States (CIS). The CIS reminded the Balts too much of the former USSR, however, and there was little appetite for being part of some kind of federal Russia.

A second path could have been to establish special relations with Russia in ways similar to Finland. The Finnish-Russian relationship was also changing, however; the good neighborliness and friendship treaty Finland had with the now-collapsed USSR was dead. Helsinki was moving out of the bear's shadow and, together with Sweden and Austria, poised to join the EU. What's more, Russia understood Estonian independence completely differently than that of Finland: for Russia the former was in no way a normality.

A third path could have been Baltic cooperation or Baltic Union. This had existed at least on paper before World War II and the prospect was raised once again during the struggle to regain independence. Prior to World War II, Estonian experts criticized the Baltic Union because it was in effect impotent and paralyzed. It looked to be more problem than solution. During the restoration of independence, however, it at least seemed to function: Baltic cooperation has become a

reality. Actually, since then it has developed into larger Baltic-Nordic cooperation.

At the same time, the world around us in the Baltic region was continually changing. Most important in this regard was the start of the parallel processes of opening the European Union and NATO to new members after the Cold War. With Finland and Sweden joining European Union in 1995 all Nordic countries were now members of either the European Union or NATO or both. In this context the return to Europe became for Estonia the most normal direction. And yet this path to rejoin Western Europe would also be the most challenging.

To take the road toward Europe we had work hard at the painful transition from totalitarianism to democracy, from command to market economy—to make this transition sustainable in the long run. It was a very complicated process, because political and economic reforms had to happen simultaneously.

To really achieve the necessary changes, we had to crush communism, not to heal it. We tried to learn from the experiences of other countries, which had already undergone a similar transition, such as Poland, Hungary, Czechoslovakia and Slovenia. Some lessons emerged. One of these is summed up by the well-known advertising slogan: “Just do it!” In other words, be decisive about adopting reforms and stick with them despite the short-term pain they bring.

We understood that the choice for us was not one of a higher or lower level of equilibrium but either continuing and accelerating decline without systemic change or the introduction of market-oriented reforms. Of course these reforms would temporarily aggravate income problems, but over the longer term they offered the prospect of healthy future growth. During the first reform government of Estonia, then, the dividing line between the parties of the government and opposition was not defined by traditional left-right differences, but rather by the readiness or not to embrace decisive economic and political reforms.

The most basic and vital change, however, had to take place in the hearts and minds of the Estonian people. In the era of Soviet-imposed socialism, most people had withdrawn into some kind of private “quietism.” People were not used to thinking for themselves, taking the initiative or assuming risks. Many had to be shaken free of the illusion

that somehow someone else was going to come along and solve their problems for them. It was necessary to energize people, to get them moving, to force them to make decisions and take responsibility for themselves. To cut back the overgrown state and get people to step up to greater responsibility, various public functions had to be shifted from the central government to the electorate, to ordinary citizens. Ready to help those who showed a genuine readiness to help themselves, the government in many cases assisted to finance precisely such efforts.

Trying to use this “the window of opportunity” after the 1992 elections, Estonia chose the path of maximum liberalization and launched most of its bold reforms: no tariffs, no subsidies, no regulated prices, no progressive taxation. Soon the private sector boomed and foreign investments grew rapidly. Estonia was presented as the “shining star from the Baltics.”

Nevertheless, most crucial for us during this period were relations with Moscow. The more we moved West, the worse relations became with the East. The new Western-orientated government in Estonia was described in Russia as fascist and Russophobe. President Yeltsin as well as the leader of Russia’s so-called liberal democrats, Zhirinovskiy, made loud angry statements condemning Estonia. We quickly understood, however, that their rhetoric was mostly targeted at their domestic audience. Great barkers are really not biters.

More dangerous was Russia’s “near abroad” doctrine, propagated by Sergei Karaganov, adviser to the Russian president. In Karaganov’s view, Russia had the duty, even obligation, to keep peace, stability and prosperity in the territories around it. For this, however, Russia had to have special rights in these territories. While it was never clearly spelled out exactly which countries belonged to the supposed “near abroad,” it appeared to encompass the territory of the former Russian Empire or that of the former Soviet Union plus Poland and Finland. Soon Poland and Finland were dropped, however.

To exert influence in the “near abroad,” Russia felt it needed actively to use Russian-speaking minorities and to present itself as a defender of their rights. In this vein, the “near abroad” doctrine became a real threat for the Baltic countries, opening possibilities to intervene in our internal affairs. They were anyway described as among “former Soviet republics”—which effectively was nearly same being part of

the “near abroad.” Moreover, at the beginning the notion of the “near abroad” appeared to be connected with the existence of a significant Russian-speaking minority, and then later it became more and more connected with religion: Eastern or Russian Orthodoxy.

The situation was not easy. If we did not want to be part of the “near abroad,” we had to get out of it immediately. For this we actually needed three steps.

First, we had to be successful in our transition. Signing an economic treaty with Estonia in 1994, U.S. Vice President Al Gore said that Estonia needed to continue to “just do it!” He added that Estonia’s most valuable export product was hope. We needed to demonstrate to other countries how to be successful.

Second, we had to demonstrate that we could manage without Russia. We had to be truly independent. To achieve this, our entire economy had to be turned from East to West. Cheap, low quality products sent to a large eastern market had to be replaced by high quality products suitable for the world market. All energy coming from Russia had to be acquired on a market basis and all energy debts had to be paid.

Third, we had to get Russian troops out of the country. This was most difficult task, as it did not depend just on us. Russia was not interested at all in withdrawing Red Army troops from the Baltics. The Kremlin understood perfectly that by keeping military bases in the Baltics it would be able to maintain its influence. Militarily it would have little significance, but the Red Army presence could sabotage Baltic integration with the European Union, not to mention NATO. The continued presence of Russian troops also hindered foreign investments in the country, which in turn carried repercussions for our stability and economic viability as a state.

Russia, if it wanted to, could just sit and watch. That alone would be obstructive to the Baltics’ efforts to join Europe. So the issue of Russian troops overshadowed all others, and bargaining over the conditions for the withdrawal of Russian troops from Estonia was especially painful. The Russian government tried to use the question of the Russian-speaking minority to put political pressure on the Estonian government. Several times the withdrawal was just halted. Estonia at the same time tried to make the stay of the Russian forces as inconvenient

as possible. They were not allowed to bring replacement forces from Russia. Their possibilities to move between bases inside of Estonia were strictly limited. In 1994 Estonian police and border guard units took control of the city of Paldiski, where the Russian nuclear submarine training center was situated. Estonia also developed and equipped its military forces with new modern weaponry. All this was done to incentivize Russia to pull back its troops faster.

The reduction of Soviet/Russian military forces—from some 100,000 Soviet soldiers at the height of Soviet power to a few thousand left in the summer of 1994—was a positive development. But these last forces looked as if they had decided to stay there forever. To get these last troops to move, we had to put strong international pressure on Moscow. And to get that we felt we had to prove our worth. That meant we had to be really successful and independent—and to have friends.

Estonia succeeded in finding such friends, not only in the form of support by international institutions such as the United Nations and European Union, but also by key political leaders. For Estonia the most significant help came from Swedish Prime Minister Carl Bildt, German Chancellor Helmut Kohl and President Bill Clinton. Carl Bildt had contacts in Russia and spent lot of time in Russia explaining why troop withdrawal was useful for the Russians themselves. At the same time he held contacts with European leaders, trying to gain more attention for the problem in the Baltics. Helmut Kohl and Bill Clinton in turn used their influence on Russian President Boris Yeltsin, making clear to him that he could not escape the problem and would have to sign the treaty concerning the full withdrawal of former Soviet troops.

Finally, in July 1994 such a treaty was concluded and signed in Moscow. Despite some questions concerning the incomplete moving of the nuclear submarine training center in Paldiski, on August 31, 1994 Estonia celebrated the withdrawal of Russian troops from its soil. Only at this moment was Estonia truly ready to proceed further in its efforts to join Western political, economic and defense structures.

In 1994 the Second World War had ended for us at last. The Cold War, too, was over—but not history. For many countries it actually started—new challenges lay ahead. It was not clear where several countries would or should belong, including Russia itself. For Russia some

Central and Eastern European and especially CIS states belonged to its “near-abroad.” But the people of these countries did not necessarily agree. So while the decisive enlargement of the EU and NATO resolved some problems for some countries, a positive denouement could not be witnessed everywhere. In some countries Russia’s military presence still continues or has reappeared, creating problems and conflicts. In countries like Georgia or Ukraine, the tensions might even culminate in war. It is crucial to avoid hot war at all costs. The Cold War may be over, but conflicts in Europe can only be a thing of the past once there are not more “grey zones,” no more ethnic or religious strife and certainly no territorial or boundary disputes.

