

Estonia

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Table 1. Cabinet composition of Andrus Ansip IV

A. The party composition of Ansip IV

For the composition of Ansip IV on 1 January 2012, see Sikk (2012: 90).

Changes in 2012:

Minister of Justice / *Justiitsminister*: Kristen Michal (1975 male, RE) resigned and was replaced by Hanno Pevkur (1977 male, RE) on 10 December 2012.

Minister of Defence / *Kaitseminister*: Mart Laar (1960 male, IRL) resigned and was replaced by Urmas Reinsalu (1975 male, IRL) on 11 May 2012.

Minister of Social Affairs / *Sotsiaalminister*: Hanno Pevkur (1977 male, RE) was replaced by Taavi Rõivas (1979 male, RE) on 11 December 2012.

Issues in national politics

The year was marked by a significant rise in civic activism that happened partly in response to a number of high-profile political scandals. Even though large scale industrial action has been relatively uncommon in Estonia, in 2012 nationwide strikes were staged by teachers, doctors and transport workers, while power engineers and airline pilots threatened with strike action at the end of the year. Protesters took to the streets to demonstrate against Anti-Counterfeiting Trade Agreement (ACTA), higher education reform, low agricultural subsidies and political sleaze.

Politically the most consequential wave of events was triggered by a party financing scandal surrounding the governing Reform Party (RE, see below). In November, Charter 12, a declaration signed by 17 prominent public figures, most of whom were not affiliated to political parties, deplored the state of democratic governance in Estonia. It specifically criticised the political elite's unresponsiveness to public opinion, the lack of transparency in party funding and the monopoly of governance seized by established political parties. The declaration launched an online petition and received widespread and generally positive publicity in the media. In response, (the largely ceremonial) president Toomas Hendrik Ilves convened a round-table on 21 November, composed of the authors of Charter 12, representatives of parliamentary parties and civil society organisations, and legal and political experts. The round-table set up People's Assembly (*Rahvakogu*) – an online platform for crowdsourcing proposals on the regulation of political parties (to increase intra-party democracy and transparency of political financing), electoral laws and other democratic reforms

(broadly similar to the one recently used for drafting the Icelandic constitution, see Hardarson & Kristinsson 2012: 136-140). The proposals were later integrated and analysed by experts, debated at a gathering of some 300 randomly chosen citizens, and the most important and widely supported proposals were presented by the president to the *Riigikogu* in April 2013. Nearly 2,000 ideas were proposed online with eighteen specific proposals submitted to the parliament.

A number of high-profile scandals and gaffes affected Prime Minister Andrus Ansip and his Reform Party (RE). At the beginning of the year, as the European Union was preparing to sign the global The Anti-Counterfeiting Trade Agreement (ACTA), a fairly obscure online petition claimed that the treaty put the protection of intellectual property above basic constitutional rights, for example, by obliging internet providers to monitor traffic. Demonstrations against the agreement were planned to coincide with a global string of demonstrations in February. Opposition to the treaty gained wide media coverage following Ansip's agitated and sarcastic rebuff of ACTA's critics in the *Riigikogu* – suggesting they had been “eating seeds” and advising them to wear tin foil hats to ease paranoia. (Later on, tin foil hats were widely worn at demonstrations as a token of opposition to Ansip and ACTA). Ansip's aloofness and arrogance was seen by many as sign that he had been the prime minister too long (seven years in a row) and was becoming increasingly detached from reality (in late 2011 he had become the second longest serving prime minister in the EU, after Luxembourg's Jean-Claude Juncker). Later in the year, Ansip declared his intention to step down as the prime minister following the 2015 *Riigikogu* elections, yet refusing to rule out continuing as the prime minister and the leader of his party until then.

By far the most significant of the scandals to hit the country in 2012 was “Silvergate”. In May, Silver Meikar, a former MP for RE, accused the party of long-standing illegal funding practices. He claimed that in 2009-10, he had donated to the party anonymous money in cash passed on to him by the Secretary General. Similar allegations by others followed as the party was criticised by the media and even by some prominent members for the lack of internal debate. The initial response of party leadership was to dismiss allegations bluntly – Jürgen Ligi, the Minister of Finance, even accused Meikar of treason while Ansip speculated that he and some others (including Allar Jõks, the former Chancellor of Justice) were stirring up the public in preparation to launch of a new political party. The police started a criminal case into the allegations, including the searching of the party headquarters in May.

In the following weeks and months, pressure mounted particularly on Kristen Michal, the former Secretary General at the centre of the allegations and the current Minister of Justice, whose portfolio covered the public prosecutor's office that was investigating the affair. In October, the prosecutor closed the criminal case, stating (somewhat ambiguously) that there was insufficient evidence to substantiate an indictment, yet sufficient evidence to suspect a criminal offence. In November, after months of mounting pressure, Ansip offered a half-hearted apology to the *Riigikogu*, while Michal continued to fight off allegations and refused to step down as a minister. He eventually stepped down in December and was replaced by Hanno Pevkur, his cabinet colleague as the Minister of Social Affairs. Even though the criminal case was dropped, the scandal hit the popularity of RE badly and at the end of the year the party lost its position as the most popular party

in the country, falling behind both Social Democrats (SDE) and the Centre Party (KE) in public opinion surveys.

Party funding had been a subject to controversy even before the Silvergate scandal. In December 2011, the Constitutional Committee of the *Riigikogu* initiated a law amendment that would have allowed political parties to establish “democracy development foundations” (Estonian acronym DASA, later renamed into “worldview development foundations”, MSA), subsidised extensively from the state budget. The proposal was unanimously supported by all parliamentary parties but attracted widespread criticism for being a blunt attempt to increase state funding to political parties, as nearly 1 million Euros was planned for subsidies in 2012. Later, as major party financing scandals broke out, the proposal stalled.

RE’s coalition partner Pro Patria and Res Publica Union (IRL) showed signs of intensifying internal strife between factions broadly based on the two parties that merged into IRL in 2007. At the party congress in January, Urmas Reinsalu, one of the central founding members of Res Publica in 2002, was elected the head of IRL, amidst allegations that the Res Publica wing had paid youngsters to become party members to attend the congress and secure Reinsalu’s victory. For some, the congress marked the complete takeover of the party by the Res Publica wing – a former minister and some former MPs left the party in February. Most of them joined the ranks of disaffected (past and present) IRL members in “Free Patriotic Citizen” (VIK, *Vaba Isamaaline Kodanik*), a political non-governmental organization established in August 2011. Later in the year, VIK declared its intention to contest the 2013 local elections independently in some key municipalities, including Tallinn. In May, Reinsalu became the Minister of Defence, after Mart Laar, former prime minister and the honorary chair of the party, suffered a severe stroke in February.

The oppositional KE continued to have quarrels with the Security Police (for earlier accusations about Edgar Savisaar, the mayor of Tallinn and party leader, see Sikk 2012: 92). In January, police found in the office of Priit Toobal, KE’s Secretary General, 400 pages of printouts from the email inbox of the head of European Commission’s representation in Estonia. In March, Kalle Laanet, former Minister of Interior who had been publicly calling for sanctions against Toobal and criticising the leadership of Savisaar, was expelled from the party, accused of damaging party’s reputation. In response, eight senior members set up a non-governmental organization “Democrats” in April – including five MPs, both Centre Party MEPs (including Vilja Savisaar-Toomast, the former wife of the party leader) and three former Ministers of Interior. The *Riigikogu* rules of procedure did not allow the five MPs to set up a parliamentary faction, but KE came close to losing its position as the leading opposition party, as its number of MPs came close to that of SDE (21 and 19, respectively). As it was often cooperating with “Democrats”, SDE was closing in on the Centre Party in terms of its parliamentary strength, having become the most popular party in public opinion polls at the end of 2012.

In April, the Security Police yearbook implicated Mihhail Kõlvart (KE), Deputy Mayor of Tallinn, of being vulnerable to Russian influence and manipulation. In 2010, the *Riigikogu* had ruled that all secondary schools must teach at least 60% of the curriculum in Estonian from 2011 on and Kõlvart was leading a campaign defending the use of Russian in secondary schools, while being in frequent

contact with a Russian diplomat. Kõlvart filed a suit of defamation against the Security Police accusing it of discrediting him, promising to continue his campaign against the school reform. In May, two KE's MPs – including Toobal – were acquitted of (unrelated) corruption charges by the Supreme Court.

Following the signing of European Stability Mechanism (ESM) by the Eurozone countries in February, the government started to prepare for the ratification of the treaty in the parliament. However, the process was stalled as Indrek Teder, the Chancellor of Justice (legal ombudsman), challenged the constitutionality of ratification in the Supreme Court in March. Teder argued that the use of qualified majority voting rather than unanimity for emergency decisions, as outlined in Article 4 of the treaty, violated Estonia's financial sovereignty. He also continued to oppose the *Riigikogu* signing up to blank agreements regarding future bailouts (see Sikk 2012: 94 on his opposition to ESFS in 2011). In July, after a heated debate, the Supreme Court en banc ruled with a single vote majority that the treaty would not violate the constitution – the judges agreed that limits on the financial mandate of the *Riigikogu* did infringe on sovereignty but were proportional and justified as the Eurozone's instability constituted a major threat to Estonia's economic stability. In August, amid some calls for holding a referendum on the issue (fuelled by the position of some Supreme Court judges), the *Riigikogu* ratified the treaty with 59 votes in favour and 34 against – nearly all MPs of the ruling coalition supported ratification while KE and most of SDE voted against.

The passing of the new higher education law was a triumph for IRL as the abolishment of tuition fees had been its trademark pledge in the 2011 *Riigikogu* elections. The law abolished fees for all full-time students enrolled on courses taught in Estonian – previously, many students failing to qualify for limited state-funded places had paid full tuition fees, particularly those enrolled in economics, law and social sciences programmes. The law also introduced a new performance-based system of higher education funding. After the *Riigikogu* initially passed the law in February, the president vetoed it arguing that it delegated critical decisions on higher education funding to the government, jeopardizing the autonomy of universities. The law package also attracted criticism, particularly from student unions, for failing to introduce simultaneously a means-tested student benefits system and for the sub-subsistence levels of support that the government was envisaging. The introduction of benefits was deemed to be essential as working while studying was made more difficult. Strictly divided between the coalition and opposition, the *Riigikogu* passed a slightly modified law again in May, satisfying the president but not the student unions.

Sources and further information

Hardarson, Ólafur Th., & Kristinsson, G.H. (2012). Iceland. *European Journal of Political Research Political Data Yearbook* 51(1): 136–140.

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