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Out of the Collective Frying Pan? Ideals and practicalities in the reformulation and restitution of political and property rights in post-Soviet Rural Estonia

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Abstract

Following the liberalisation and ultimate collapse of the Soviet Union in the late 1980s and early 1990s, new governments in many of its constituent and satellite states varyingly attempted to return to something like the pre-Soviet *status quo*. Multi-party constitutions were resuscitated and, in rural areas, the system of collective and state farms was abandoned. In Estonia, which was incorporated into the Soviet Union in the course and aftermath of the Second World War, a parliamentary democracy and Presidency were re-established, definitions of citizenship and accompanying political rights were articulated, and the rights of citizens to previously held property were affirmed. The regeneration of agriculture through family farming on privately owned farms was officially encouraged, despite misgivings in some quarters.

The paper discusses several aspects of this process, and pays particular attention to discrepancies between ideal and reality in agrarian reform, and to the disjunction between the re-enfranchisement of the rural population and increasing evidence of their exclusion from the new economic prosperity enjoyed by some of their urban counterparts.

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Introduction

The radical economic and political transformation of Estonia, from a feudal society to a capitalist, multi-party parliamentary democracy and current fast-stream candidate for membership of the European Union, has been a prominent feature of its history over the last two hundred years. This relatively rapid process, as compared with that in several Western European states, has been a jerky rather than a steady one, and its momentum has at times been put into reverse, most notably but not only during the half-century of Soviet control which ended with the collapse of the Soviet Union a decade ago. As in many other societies, an important element in the process has been the establishment of well-defined individual rights of citizens both to private property and to political participation, through voting and in other ways, at local and at national level. After a brief historical survey, my discussion in this paper focuses mainly upon such developments within the rural areas of the society during the last decade.²

Estonia is a small country, with a total population of about 1.5 million, of whom about two thirds are urban based. As this implies, however, the rural population is still quite substantial, and its significance along with that of the countryside more generally is in some ways disproportionately large. Unlike the urban population, roughly half of whom are Russian speaking, almost all rural dwellers are indigenous Estonians. In addition, many urban Estonians were born in the rural areas and maintain links there to relatives and also to land which was collectivised during the early years of Soviet rule. Many such people have recently been claiming such land back, and many more visit their relatives or simply their home villages for holidays and for weekends away from the bustle and pollution of the city.

Partly connected with this, but also stemming from the earlier history of the country, the national identity of Estonia, and with it the personal identity of many of its people, has tended to hark back to rural roots. In the nineteenth century, the indigenous population consisted largely of the peasantry – as opposed to German barons, city dwellers, and Russian overlords – and was initially known simply as *maarahvas* (the land or country people). As my glossing

² Initial field research in rural Estonia in 1991 and 1992 was conducted with an award from the United Kingdom ESRC Comparative East-West Studies program. My main findings from this work have been published in a book and several papers. In addition to two further visits in 1994 and 1996, I have also been able to make more recent use of other contacts and sources - including academic publications, newspapers, letters, telephone and e-mail correspondence – to keep abreast of contemporary developments. I am grateful for informal help on Estonia itself from Aet Annist, Laura Assmuth, Gerri Grünberg, Andres Hanso, Piibe Jõgi, Epp Lauk, Tiiu Pehk, and Mart Saldre, and on land rights and reform more generally for discussions over a long period with Chris Hann. I should also acknowledge earlier help from the late Professors Andrus Park and Juhan Kahk, and from Professor Eero Loone. I am also grateful for recent comments on the text from Aimar Ventsel. The paper was originally

of this term suggests, *maa*, as the standard Estonian word for 'land' and 'country', contains a complex package of ideas. We are of course used to some extent to such complexity in English, where 'land' and 'country' have a wide range of referents which correspond to many of the different senses of *maa*. However, as a long since highly urbanised society, we tend not to share a keen sense of connection between people and 'the land', which many Estonians (like their Latvian neighbours) feel, even though they recognise that forces of social and economic change increasingly threaten the symbolic power of that link to influence events.

A brief history of the development of rights in land³

The key first step in the dismantling of feudalism, and the establishment of widespread individual rights in land as private property, was the emancipation of the rural population out of serfdom. At the beginning of the nineteenth century, as part of the Russian empire, the Estonian countryside was divided among a series of baronial estates belonging to aristocratic families of largely German origin. On the estates, tied serf peasant families, whose work force was supplemented by labourers from other, sometimes poorer, families, held and cultivated land for themselves in return for cultivation and other services that they provided for the baron. Following legislation in the early years of the century, serfs were given the 'freedom of their bodies' and thus 'owned' themselves. This, however, precipitated puzzlement and conflict with regard to land.

Throughout the feudal period, the ruling elite determined peasants' duties, and from time to time suppressed unrest about these. But the fundamental question of who owned or had the right to own the land was not itself a major public focus of attention before the promulgation of emancipation in the Peasant Laws of 1816 and 1819. These laws declared explicitly for the first time that all land (including farm-land in the hands of peasants) belonged to the barons. In the discussions which preceded promulgation, the barons were clearly aware of Adam Smith and other economic theorists of the time, and they asserted that from now on landlord-peasant relations should be based on the simple principle that peasants owned their bodies but the barons owned the land. In the same spirit, the level of the peasant duties henceforth required in return for access to the land was to be established through 'market' negotiations.

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³ The historical parts of this paper are mainly based upon the work of Juhan Kahk as prepared for Abrahams and Kahk, 1994.

Some contemporary figures seem to have had doubts about the wisdom of this policy, and were afraid that peasants could regard these new laws as an unjustified appropriation of the 'land of their forefathers'. At the same time, arguments were developed to counter and if possible head off such a possibility. A parish pastor asked his congregation how Estonians could be sure their ancestors were the first inhabitants of Estonian territory? Moreover, who among the peasantry should rightly be included in such claims to ancestral land? Would hired labourers in peasant households, for example, need to be excluded? And he warned of the many conflicts that were likely to ensue if such questions were addressed.⁴

In fact such questions of original rights to land tended mainly to reflect elite ideas about land as property, and they were not apparently of much immediate significance for peasants at that time. Their chief worry was how the 'new law' would affect their current situation - would their 'feudal' duties be extended or decreased? They could not easily imagine at this juncture that their land could actually be taken from them. The tsarist bureaucrats and the representatives of the nobility, who had drawn up the laws, were already living in a conceptual world where notions such as private property in land and commercial rent were well understood, but the peasantry seemed still to think in terms of a traditional feudal rent, which meant that one must work for land, but only for a justly determined number of days.

Matters soon came to a head, however, once it was made quite clear to the peasants what the new laws entailed. Before their emancipation came into effect in 1823, a large part of the Livonian peasantry was instructed by their barons at a series of meetings held on the same day that, even after their emancipation, they would still be subject to the same amount of statute labour, and that the barons would now have the right to turn those who refused out of their farms.⁵ Not surprisingly, this simultaneous provocation of a large part of the peasant population of the region triggered a new powerful protest movement, and by the end of 1822 about one seventh of the peasant population there had refused to continue working for the barons on their former terms, while also refusing to give up their peasant holdings. At the same time, it appears that the idea of ancestral links to land began to develop and change shape. Partly it involved a heightening of peasant consciousness of their indigenous ethnic identity, as opposed to the 'foreign' origins of the aristocracy. Partly too it involved a growing acceptance of the idea that peasants might usefully assert claims to the private ownership of family land, in contrast to the broader notion of an indigenous connection to the land and country as a whole.

⁴ For more detail on this address see Abrahams and Kahk, 1994, p.16.

⁵ After the promulgation of the law for Estland (the northern part of the present Estonian mainland) in 1816, the law for Livonia (which included the southern part and the islands) was announced in 1819. The laws were not intended to come into force immediately but only after a period of preparation, e.g. in 1823 and 1824 in the Livonian case.

In the middle of the century (1849-1860) new legislation was passed. Most of the land in peasant hands was formally demarcated as available for peasant purchase at prices to be negotiated between them and the barons. Purchases of rights in perpetuity to land began to become common, and many thousands of privately owned peasant farms were established by the turn of the century. Though relatively few of those who bought farms lost them through a failure to pay for them, social and economic differentiation among the peasantry began to develop.

This too had its impact upon the people's 'national awakening', since fears that the children of more prosperous peasant families might be tempted to give up their cultural and linguistic heritage, and 'become German', led to an increased conscious emphasis upon the value of Estonian peasant origins.

Meanwhile, the new peasant farms and the old estates continued to exist side by side. By the turn of the century, in addition to substantial numbers of poorer land-owning smallholder families, about thirty percent of peasants worked in increasing poverty as landless labourers for the barons or for wealthier new farmers. By 1905, socialist ideas had, not surprisingly, begun to attract many adherents among these poorer sections of the population and others too who recognised their plight, though relatively few people wished for more than better working conditions or a viable farm for themselves. By 1917, however, opinion had become more sharply polarised, and with hindsight one sees startlingly clear evidence of a recent comment by a historian of Latvia, John Hiden (1992, 63), that "History invariably fails to repeat itself – but it is not for want of trying".

In Estonia as elsewhere, the stormy period of the First World War and Russian Revolution was one of rapid and unstable change. Bolshevik take-overs of the estates, and their conversion into collective farms, were interrupted first by temporary German occupation, accompanied by plans to settle two million German peasants in the Baltic countries, and then by the establishment in 1919 of parliamentary government in the newly independent country. The experiments in collectivisation received little support from those whose situation they set out to alleviate, and the memory of them seriously impaired the chances of any significantly increased rural receptivity to communism in the eventual larger-scale repeat performance of the 1940s, following the country's incorporation into the Soviet Union at the beginning of the decade. By that time, following the legislative dismantling of the estates in 1919, there were approximately 140,000 farms of widely varying size and quality in private hands.

Estonia's political and military vulnerability as a tiny country perched uncomfortably between Germany and Russia was clear enough during the First World War, and it was demonstrated still more sharply in the prelude to and course of the Second. During the period of entente between the two 'giants', the Molotov-Ribbentrop pact 'carved up' the area between them with little if

any concern for the human cost this would entail. Then, when they moved to war against each other, Russian and German invasions of the country succeeded one another, and were accompanied by violent reprisals against those deemed to have supported the other side. Many Estonians fled, especially from the Russians, and eventually made new homes in Sweden, Finland, North America and elsewhere. Throughout the Soviet period, many of these 'dispossessed' emigrants took a keen interest in the country, and some of them became politically influential in the run up to and immediate aftermath of independence in 1991.

As elsewhere, post-war Soviet control under Stalin was followed fairly quickly by further large scale deportations of alleged dissidents, and by the establishment throughout the country of collective and state farms on the Russian model. This continued, with considerable variations over time in living and working conditions and farm size, until the system came under serious attack in the late years of *perestroika*. An interesting feature of collectivisation was its locally perceived return to several features of the old estate pattern. Farm members and workers now worked mainly for the farm rather than themselves, as their own farms had been collectivised and replaced by small 'private plots' which they could use for their domestic needs, and they commonly referred to the farm leaders and directors as 'red barons'. Moreover, the collective and state farms were much more than economic enterprises. They became 'total' institutions, closely linked with local government, and providing a wide range of welfare and other services to those who lived on them. This last development was encouraged by a fear that people would be tempted to leave the countryside unless local economic and cultural facilities were enhanced. Several factors did, however, work against the development of the system as a fully accepted way of life. The previously established prejudices against both the estates and their collective transformation were fairly easily kept alive and well. Soviet rule had begun relatively recently, as compared with the situation in Russia itself, and the alien origins of the communist system, coupled with widespread bitter resentment of Russian occupation and the deportations, militated strongly against acceptance even among those who might in principle have favoured a socialist solution to pre-war inequalities. In addition, the family persisted as a key social unit throughout the whole Soviet period. Many rural families still lived in their own or others' former farm houses and this residential privacy, coupled with the use of private plots for household cultivation, provided an important safe haven for the protection and nurture of memories of more favoured times and hopes for their return.

Back to the future in a brave new world

The above outline sets out some of the main background to the developments over the last ten years in which the re-establishment of former rights of citizenship and rights in property has been a major feature of political discourse and action. It will be clear that this most recent period of independence cannot be properly understood apart from the interlocking histories of national identity, the emancipation and to some degree embourgeoisement of a once feudal peasantry, and the deep resentment of external and often enough quite violent interference both from east and west and from the right and left. Not surprisingly, the desire to eradicate the legacy of Soviet communism – as the most recent, widely penetrating and long-lasting form of such external interference within living memory – has been a major ambition of many contemporary actors. At the same time, other voices have also been heard, and incompatibilities within the package of traditional identity, independence, the desire to restore individual and family holdings in land, and the search for a viable agricultural sector as part of a shift towards alignment with the economically efficient West have started to emerge.

An active campaign for Estonian independence was already under way in the late 1980s, with demonstrations at public monuments and song festivals. By 1989 the Estonian national flag was flying riskily at the top of one of Tallinn's medieval towers, and in 1990 a poster of a large crowd openly demanding the return of their own state and language to the people was on sale in a Tallinn bookshop. Independence was declared and accepted shortly after the abortive Russian coup in 1991, and a massive program of political and economic reform was hastily begun. Differences of opinion emerged over several matters including the form of constitution to be adopted and the reconstruction of the rural social and economic system. Especially at this early stage, many members of the so-called Estonian Congress, including many emigrants and their children, exercised considerable influence on the formulation of policy, lobbying strongly for as close a return as possible to the pre-war constitutional and legal situation.

In the present context, I look mainly at two areas of reform and their implications for the rural areas. The first is rural land reform, and the second is the re-establishment of a capitalist western-oriented economy by successive governments formed within the new democratic multi-party parliamentary framework. In both areas, the restoration of individual rights was explicitly promoted and these have been significantly enhanced.⁶ At the same time, however, although no one regrets the achievement of independence itself, the practical implications of this transformation have not all been positive for rural citizens, and many of them have

⁶ This point is sharply made with regard to property rights by Jõgi (n.d., work in progress).

become less optimistic and enthusiastic about their present conditions and their future outlook than their commonly more prosperous urban counterparts.

Land rights and legislative reform

The paradoxical qualities of land as a human resource and possession are well known to those with close attachments to it and to those who study it, though it is not always easy, as was noted earlier, for members of a long since highly urbanised and industrialised society like Britain to appreciate the passion which the subject often generates elsewhere. Under a wide variety of regimes, land has been the most fundamental productive resource, apart from their own bodies, that humans have at their disposal. As a 'gift of nature' which typically outlives its users, but which can be rendered more or less productive by their actions, land readily becomes the focus of arguments about the rights of individuals and groups to own and dispose of it and about the most effective ways to use it. Despite possibilities of reclamation and improvement, it remains a relatively inflexible factor of production. It is not always well adapted to its owners' changing needs, and there is often not enough of it to satisfy the ambitions of all sections of society. Also, as the location on which humans live, work, find sustenance and reproduce themselves, it is commonly endowed with highly charged moral and symbolic value.

In Estonia, as in many other countries, several related issues have persistently been intertwined in this context. One has been a question of efficiency, largely focused on the merits and deficiencies of large- and small-scale agricultural enterprise. Another is a tension between land as a productive resource for a community and/or society and land as private property owned by individuals or groups. Complexly linked to this is the further distinction between land as a fundamental element in a symbolic system of moral and social values and land as a commodity. The balance between all of these has fluctuated and is still subject to argument, though there has also clearly been significant long term linear change along the lines of the classic shift in Western society and beyond towards increasing commoditisation and towards the definition of the human person as an individual right-bearing actor and of society as a collection of such individuals.

These issues began once again to be openly and actively debated in Estonia towards the end of the Soviet period, and in 1989 a new Farm Law (*Taluseadus*) was enacted. Predictably, although this law marked a sharp shift from previous official commitment to large-scale collective agriculture towards the re-establishment of small-scale family farming, its provisions clearly reflected the need at the time to work within the framework of the USSR.

The law was carefully focused mainly on the occupation of former farmhouses by previous owners and others. Although some collective and state farm workers lived in centrally located flats and houses, and many former farmhouses were destroyed or became dilapidated under Soviet rule, substantial numbers of the somewhat reduced rural population were still living in such houses – or in new ones built on former farmhouse sites – in the late 1980s. Often the house belonged to members of the original family still living on the site, but sometimes the property had been bought either from the previous owners or from the collective or state farm itself, which had acquired it when original owners died out or disappeared, for example in Siberia. Sometimes such property had also been willed to distant kin or neighbours by its former occupants.

The central feature of the 1989 Farm Law was that it entitled the occupants of such houses and house sites to apply for land that previously had been attached to them. The language, as well as the content, of the law is of interest here, in comparison with that of later legislation. Paragraph 8 is headed '*Talu taastamine*' (the re-establishment of a farm), and it refers to the rights of a farm's 'previous owner', as at 23 July 1940, or his heirs, to embark on this process provided that the farm buildings, and with them the rights in question, have not legally passed into the hands of others. Notably lacking, however, is a key expression which figures prominently in many of the post-independence laws and regulations. This is the phrase '*õigusvastaselt võõrandatud vara*' (illegally alienated property), which is typically combined with the word '*tagastamine*' (return or restoration). The reference is of course to property which owners lost under Soviet domination, and these later laws clearly challenge Soviet rule in general, and the property system in particular, in a much more radical way.

As this implies, restitution – ideally *in natura* but with some allowance for compensation if this was impossible – was a fundamental principle of much of the new legislation concerning land and other property passed in the three years 1991-1993. At the same time, the legislative process in these years has to be seen at least in part as a struggle between divergent political viewpoints on the sorts of issue outlined earlier, rather than simply a coherent and rational attempt at social and economic problem solving and reform based on uniformly agreed principles. This probably accounts in part for some discrepancies between the various laws, though a further factor was the haste with which new legislation was produced. Here, both the pre- and post-independence governments were faced with a familiar dilemma. The longer it takes to bring new legislation into force, the more uncertainty remains about the future. Yet the rapid introduction of large numbers of new laws, whose implications are by no means always clear, also causes much anxiety and doubt.

It would not be sensible to attempt even an outline account here of each of the many laws and decrees of this period concerning land and agriculture. There were over twenty of them, running into many thousands of words, and many of them are already superseded. Major laws were passed on property in general, on land and agricultural reform, and on the evaluation of land. Also, many regulations and decrees were published on the implementation, interpretation, and occasional modification of these laws. Eventually, in 1993, a new Law of Rights to Material Things (*Asjaõigusseadus*) was promulgated, and this was followed by a further law defining its mode of implementation and its implications for existing legislation.

In these circumstances, I simply draw attention here to some of the major acts involved and to some of their most salient features. In 1991, the Estonian government passed a law setting out the basic principles of property reform, and this was followed later in the year by the Land Reform Law. The Property Reform Law set out the main basis on which property, including land and buildings in both urban and rural areas, was to be returned to its rightful owners. If, for various specified reasons, the actual return of the property in question was not practicable, alternative property or compensation in lieu thereof was to be paid. The law laid down the definitions of such rightful owners and their heirs, and a timetable for such people to apply for restitution of their property. The Land Reform Law further pursued these issues with regard to land in particular. It also extended the range of potential claimants to include the brothers and sisters of a deceased owner and, if they were dead, their own descendants. Some paragraphs of this law were later revised.

In 1992, an Agricultural Reform Law was passed, and this set out the procedures and timetable for the compulsory winding up of collective and state farms. On each such farm, a Reform Commission was to be established, containing representatives of different local and state interests, and each commission had to develop a plan for the future distribution and organisation of the farm's land and other property and resources.

The 1993 Law of Rights to Material Things constituted the most radical departure from Soviet ideology, since it firmly re-established private property as the norm, and set out the fundamental rights and obligations this entails. The chairman of the State Law Commission, highlighted its significance by describing it in Parliament as 'the end of socialism in Estonia'. It superseded, in varying degrees, all previous legislation, and it provided the legal basis for future capitalist development in the country. By this stage, the legal emphasis had clearly moved from the question of the relative efficiency of family farming over collective enterprise to one of the property rights of individuals. At the same time, however, it may be noted that the rights to hold and use land established under the 1989 Farm Law for occupants of former

farmhouses were protected by sub-clauses of the Land and Agricultural Reform Laws and were never fully overturned, despite various conflicts which this generated.

Land reform in practice

As one might expect, especially when legislation represents specific outcomes of debate or power struggle between groups with different interests and ideologies, there have been serious gaps between the drafting of these new laws and their implementation at the local level. As in the drafting process itself, a mixture of technical and political factors can be identified here.

Technical difficulties have mainly been experienced in property restitution. The legislative maze created by the politicians was in danger of becoming a paradise for lawyers, but a nightmare for the many villagers and other lay citizens who desired the return of land, whether to farm or simply to hold, and other property. Many claimants found it difficult to understand the complex rules and to amass the different documents required to make a successful claim. Also, land reform based upon the restitution of former holdings was bound to encounter many difficulties when the property in question was collectivised some fifty years ago. Roads have been built and buildings erected on some former holdings.⁷ Boundaries have to be determined and then registered, and there are likely to be many heirs to any piece of land. Moreover, some property transfers which took place in Soviet days – of old farmhouses, for example, to which land is now attached – have recently been contested. And some of the former owners of land distributed to local villagers under the 1989 Farm Law are entitled to compensation, but the exact implications of this for all the parties concerned have often been unclear.

One result of such complications has been that reform has been much slower than many hoped, and this generated a great deal of uncertainty and anxiety among those involved, who found it hard to formulate and activate clear practical plans for their future.

Political problems of implementation were more noticeable in the broader process of dismantling collective and state farms, than in the management of individual claims, though the two are naturally closely interlinked. Various forms of political resistance to reform legislation have been observed in Estonia, as elsewhere in Eastern Europe where occasionally, as in parts of Bulgaria where socialism was still quite popular, villagers have even simply refused to

⁷ Difficulties of establishing such claims have been interestingly brought out for Transylvania by Katherine Verdery (1994). There, conflicting claims have been complicated by problems of inadequate and inconsistent mapping and by changes to the landscape wrought by decades of human activity and even errant river courses. As Verdery notes, such conditions may challenge the idea of land as a solid fixed resource whose extent and location can be fairly readily ascertained by simple investigative procedures.

abandon their collectives.⁸ In Estonia, where socialist institutions were more widely discredited, if only because of their Soviet provenance, more narrowly sectional rearguard action tended to occur.

I witnessed such a local conflict on the island of Saaremaa in 1991 and 1992.⁹ The Director of the local state farm, and some of his supporters, initially stonewalled against the implementation of the 1989 Farm Law, and their struggle was continued in the 1992 meetings of the local Land Reform Commission, whose remit was to decide the future of the state farm in accordance with the Agricultural Reform Law. The conflict, which was exacerbated by a history of personal animosity between some of the actors, was waged chiefly between supporters of restitution and family farming, who wanted to break up the farm completely, and those who wished to retain large-scale sections of it in the form of a new limited company and a share-holders' co-operative. The creation of such units has been legal, providing there is local agreement to do so, and it appears that mixed arrangements (of family farming and converted larger units) have in the end prevailed in many former collective and state farm areas despite strong central support for family farming. Reliable figures are hard to come by, but it seems likely that some 20,000 or so private family holdings, and around 2,000 larger units were established. Numbers have fluctuated as some farms and other enterprises ceased production while other new ones were still being formed. Also, by no means all new family holdings have actively been farmed, especially in the case of those reclaimed by urban dwellers.

In the case above on Saaremaa, arguments in favour of new large-scale units included familiar claims that they would be more efficient agricultural producers, and that they would cater more for the work and welfare needs of those who could not hope or did not wish to farm, and who would have shares in the new ventures. Counter-arguments disputed the claims of efficiency and accused those running the state farm of simply wishing to maintain control. In the end, arguments about the need for a community-wide approach, rather than one focused on the needs of family farmers, swayed some waverers on the commission, and the company and co-operative were founded along with several new or already established family farms. Subsequent reports suggest, however, that these new enterprises were initially at least less helpful to the poor and needy of the area than had been hoped or claimed, and many such people are said to have eventually been driven to surrender their shares in payment for tractor and other services from the two units.

⁸ Cf. Kaneff, 1996.

⁹ More detail on this case and information on some others is provided in Abrahams (1994, 361-3) and Abrahams and Kahk (1994, 112-9). For an account of the reform process in the Kanepi area of south-eastern Estonia see Alanen *et al.* (2001, 53-6 and Chapter 3).

Nor has everything been quite harmonious between new family farmers themselves. Those who got started early, around the time of the first Farm Law, were often able to get hold of good machinery and dairy herds at reasonable prices, and were able to engage, as self-styled 'production farmers', in what they saw as serious farming in contrast with the efforts of many more recent small-holders, whom they see as come-lately 'hobby farmers' wanting the lion's share of Farmers' Union and other help. This led in some areas to the establishment of local break-away 'production farmer' associations. Since then, however, despite high hopes, enthusiasm and much hard work, many family farmers – like many of the larger co-operative and limited company units established in the early nineties – have had to try to diversify or give up farming altogether, and several of them have migrated or moved back to the towns and cities to try to get a living. The rural areas have become an increasingly depressed sector of what is commonly considered one of the economically most successful post-Soviet nations.

Democratic rights and economic problems

More recent information, including several publications, both confirms this picture and offers little to suggest that the rural situation has significantly improved since 1996 – when I last visited the country – or that it will do so in the near future. It is true that inflation has become increasingly controlled and stable, that parts of the national economy are flourishing, and that Estonia now looks forward to entry into the European Union. Yet it is also apparent that a serious gap has been developing over the last decade between what a number of writers have called 'winners' and 'losers'.¹⁰ Moreover, it is also clear that many of the 'losers' have been rural dwellers.¹¹

For example, the Economist Intelligence Unit Country Profile of Estonia, 1999-2000, records the existence of 'striking regional variation' in such a comparatively small country, and notes specifically the differences between the region which encompasses the capital, Tallinn, and several mainly rural counties with regard to investment, wages and job opportunities. The declining importance of agriculture is cited as one of the main reasons for these differences. It comments that 'many of the newly created smaller farms lack economies of scale, and many were unable to finance the necessary fertilisers, fuel, seed or capital investment', and it also notes that farmers have been subjected to a series of 'severe cost-price

¹⁰ Cf. Tima et al. 1998, and Narusk and Hansson, 1999.

¹¹ There is of course variation within both the rural and the urban areas, and especially within the latter where the highest earners are located. However, Tima *et al.* (1998, Table 1, p. 119) found substantial differences between Tallinn and village dwellers at all levels with Tallinn figures ranging from 17 % higher for the lowest quartile income groups, through 50 % higher for middle earners, to 65 % for the top quartile.

squeezes', as their costs rose faster than the prices of their products and subsidies were reduced. This complaint is often heard from family farmers and others in the rural areas. In addition, agricultural producers of all kinds have suffered heavily from the collapse of the Russian market, and a consequent serious fall in demand from that quarter. Output has also fallen drastically during the last decade.

Another recent survey found 36 % of Estonian farm households living under the prevailing 'poverty line' of 1250 kroons (c. 83 USD) per person per month, and half of them (18 %) were said to be below the 'abject poverty' level of 1000 kroons (c. 66 USD) per member per month.¹² The same survey noted that general 'poverty risks' included 'living in the countryside'. It also listed having children, being elderly, and being unemployed. Two thirds of the unemployed were poor or abject poor, and one third of the elderly lived below the poverty line. It is significant that these are not completely discrete variables. The rural population contains an increasingly high proportion of older people, especially since it is the relatively young who tend to migrate from the countryside to the towns and cities. Also, unemployment is particularly problematic in rural areas, though there are also very serious problems in the largely Russian-speaking and more industrial northeast of the country.

There is an obvious irony to this situation. The large majority of Estonians, both urban and rural, joyfully embraced their new-found rights and freedom at the start of the last decade. Of course, there were some socialists and communists among the population, but even for many of these the alien nature of their Soviet masters badly tainted both the regime and its policies. As in many other 'colonial' empires, the very source of policy was enough to discredit it. Yet the great expectations which accompanied the country's regained independence have been much diluted for many of its rural citizens, who have come to accept the sobering truth that freedom has its own styles of oppression.¹³

One might usefully begin to ask here what if any improvement in their situation the rural population might hope for from the State and multi-party parliamentary and comparable institutions to which they now have access through the ballot box and other channels. While there can be no certainty on such a question, there is little evidence of, and apparently little ground for, optimistic rural expectations from this quarter.

¹² The survey was conducted by staff at the University of Tartu (the organisers were Dagmar Kutsar and Avo Trumm) and was reported in the *BalticTimes*, 17th June 1999. While it is probable that such figures and those quoted above do not pay due account to 'hidden' income from production for subsistence and other sources, this is not likely to negate the general trend they indicate. I am grateful to Aimar Ventsel for his comments on this point.

¹³ For a development of this idea in the context of rural Poland see Gorlach *et al.* (1994).

It is true, as noted earlier, that rural society and within it family farmers have held a special place in the development of Estonian self-awareness as a people. It seems clear that positive sentiments about rurality, family farming, and the traditional Estonian farmers' stubborn independent spirit have been genuine sources of inspiration and support for the land reforms of the post-Soviet era and for anti-Soviet sentiment more generally. At the same time, however, it is also true that successive post-Independence governments have nonetheless refused to see the nation's peasant origins as sufficient reason to provide sustained special treatment for its regenerated rural communities. Governmental and other critics of farmers and the agricultural sector more generally have consistently tended to argue along 'market economy' lines that higher levels of efficiency and creative entrepreneurship, rather than subsidies, are the answer to such problems, and that the country simply cannot endlessly afford to subsidise those sections of the economy which cannot support themselves in the free market place. Indeed arguments have even been heard from time to time that Estonian agriculture can never hope to be a viable major sector of the national economy, and as such ought to be run down in favour of the more effective, largely urban sectors. Evidence from surveys and from recent low turn-outs in parliamentary and local government elections suggest that rural populations do not see much of use accruing to themselves from these institutions. The material available to me on this issue is limited, however, and does not, in itself, straightforwardly support a view that villagers have a peculiarly low opinion of the party system and elected government. Parliament in particular appears to be held in very low esteem in all parts of Estonia, urban and rural alike. It is widely seen as a source of advancement for its members who are said to rapidly forget their roots and principles in the pursuit of their careers and other private interests. At the same time, a variety of structural factors arguably lend weight to such rural pessimism. Although it is doubtful whether any electoral system would more strongly support rural interests, the current framework, based on proportional representation and party lists, easily results in tenuous links between localities and candidates. The dispersed, and to some extent fragmented, nature of the rural electorate also limits their potential to develop strong political influence as a united force.¹⁴ Moreover, although some parties lay claim to a special interest in rural issues, they tend to disagree among themselves, and constant jockeying for position in a shifting set of coalitions with

¹⁴ An interesting exception here is the joint influence of rurally oriented parties in the Presidential election of October 2001. This led, after Electoral College deadlock, to the election of President Rüütel who has a long history of agricultural expertise and sympathy for the rural areas. The influence of the office of President on domestic policy is, however, circumscribed, and although rural issues will probably receive more attention under his Presidency, no radical change of rural fortunes appears likely to ensue. I am grateful to Aimar Ventsel for

others parties readily leads to compromise and transfers of allegiance.¹⁵ None of this seems geared to promote the effective furthering of rural interests by even the most conscientious elected representatives.

Many people also seem to have a broadly similar, though less extremely critical, view of local government councils. Here, to a much greater degree than with parliamentary elections, people are voting for local candidates whom they expect to represent their interests and devote themselves to local issues, and there is an accompanying tendency for them to support trusted individuals, ideally with a previous record of good public service, rather than to follow strict party lines. Although these councils appear to be potentially valuable instruments of rural development, most of them are reported to be badly short of the funds and other resources needed to do this. In the 1999 parliamentary and local government elections only about half of those eligible to vote turned out to do so. At the same time, however, this figure is considerably higher than recent British turn-out at the local level.

A further issue to consider in this context is Estonia's planned entry into the European Union. Some detailed information on this complex question has been published in the UNDP 1998 Estonian Human Development Report. This shows considerable differences of opinion between the country's 'political, economic and cultural elite' and 'the people', with the latter rather less convinced about the value or necessity of joining. It appears that two rather different issues – the potential for political security against neighbours, on the one hand, and the question of economic advantage or disadvantage, on the other – are at stake, and that in general richer, younger, urban people are more in favour of entry than their poorer, older and rural counterparts. Despite such differences, there was broad agreement among those surveyed that the agricultural sector was least likely to benefit from entry. Overall, only 27 % of respondents thought that agriculture would benefit (as opposed to 73 % who thought there would be improvement in the general field of economic development), and the figures for poorer and older respondents (24 % and 25 % respectively) were slightly lower. Such doubts and fears seem realistic, since the extent of already existing agricultural and rural problems in the European Union does not appear to proffer much hope for the mitigation of Estonia's own

drawing my attention to the relevant details of this election, which took place after this paper was originally completed.

¹⁵ The newness of the system and the parties may also be a factor here. There is a similar parliamentary system operating in Finland, and this too has been the subject of much criticism. Also Finnish farming and rural society have been under immense economic pressure in recent years. There has, however, been a long and more or less unbroken history of major party support for the Finnish rural sector, and this has been coupled with the long term development of a powerful extra-parliamentary agricultural lobby. This has not prevented rural depopulation and agricultural restructuring, but it has helped to slow it down and mitigate its effects.

difficulties in this area.¹⁶ It is true that Estonian governments have already been extremely market oriented, and that one commentator suggested the country may even need to ‘deliberalise’ its economy in order to join the European Union.¹⁷ It is also true that substantial regional support has been forthcoming to the Union’s poorer members. Nonetheless, the recent general trend within the European Union appears to have been towards an ever stricter monetarism, and this now bodes ill for rural subsidies. Again, in spite of useful access to a wider market, the requirements for environmental protection, and the strict regulation of the quality of produce and the methods of its production do not seem likely to help the competitiveness of new member countries whose agriculture is still operating at a relatively undeveloped technical level.

Conclusion

I have attempted in this paper to review some of the main features of the development of rural areas in Estonia over the last decade and to look tentatively into their future. I have explored this social and economic issue in the context of the restoration of property rights in land and the re-establishment of western-style ‘democratic’ politic institutions and rights following independence from the former Soviet Union. It appears that although these renewed rights were very welcome, they have been of little practical benefit for many members of the rural population, and it is even arguable that they have to some degree contributed to their relatively depressed economic status.

Furthermore, although there has been a great deal of argument about what kinds of policy its various post-Independence governments might have adopted, it is also arguable that Estonian rural society was more or less bound to decline as soon as the country began to move into the Western world, if not before. Neither those who stressed the need for ‘justice’, focused on land restitution, nor those who pushed for agricultural efficiency through other means have, in the end, had very much to offer rural communities as a whole. Moreover, although Estonian governments have themselves embraced the principles of the market economy with some enthusiasm, there have been very strong external economic pressures emanating from the West – one might mention here the United States and the International Monetary Fund as well as the European Union – which they would have found extremely hard to resist even had they

¹⁶ Cf. Unwin, 1998.

¹⁷ Huang, 1999 (reporting on a Wall Street Journal Europe article by Urmas Varblane and Razeen Sally). In a similar vein, the Baltic Independent for 4-10 August 1995 quoted a comment of the then Minister for European Affairs about Estonian enthusiasm for Western market economics that one should not try to be ‘more pious than the Pope’.

wished to. Again, it is probable that, if present policies have been a source of current difficulties, alternatives would also have had serious social costs. Even before the process of dismantling the collective and state farm system began, some entrepreneurial state farm directors were already drastically pruning their labour force in pursuit of economic efficiency. It is likely, especially given the collapse of previous markets, that greater concentration on relatively large-scale, efficiently productive agriculture, as opposed to the current mixed system with varieties of large-scale and family farming, would itself have tended to create an even larger body of rural unemployed for whom alternative work in the rural or the urban sector would not have been forthcoming. One can see even now that the shift of many younger people to the towns does little for the social and ecological viability of rural communities themselves.

It is hard to see a practical solution to these problems. One approach, at least in an 'ideal world', might be through a program of so-called 'rural integrated development'.¹⁸ Yet a review of calls for this provides no clear sense of how it can be achieved for the hundreds of rural communities in question, even though there can be some success for individual ventures and even individual areas.¹⁹

At the same time, two further points should be made. Although the rural situation in Estonia is difficult, it is not – compared with that of many of the world's disaster areas – completely desperate. Most villagers continue to cope – like Toynbee's view of Atlas, they manage to bear the world on their shoulders even if they can do nothing with it – and some do relatively well. There are many energetic, inventive and adventurous villagers who will not easily give up the struggle to survive even if the odds remain against many of them actually prospering. While they continue to have farms or even smaller plots, they usually manage to provide for a significant part of their subsistence. Moreover, despite commonly held views about their self-asserted individualism, many of them are quite skilled in collaborating with each other on useful projects, and they have established, both as individuals and through local government and voluntary associations, a number of valuable links with rural communities elsewhere, especially in Finland and Sweden.

The second point relates more closely to the issue of political reform. A recent report (Titma *et al.*, 1998) suggests that despite parliament's poor reputation, the post-Independence State itself, and in particular the legal system, enjoy a relatively high level of legitimacy among Estonians, and the authors note that this may have significant implications for the 'the

¹⁸ Cf. Tisenkopfs, 1999.

¹⁹ Cf. Assmuth, 2001 for an account of a relatively successful coastal community which has benefited, *inter alia*, from tourist development.

rule of law'. Certainly there has been little to suggest so far that villagers are likely to develop serious extra-systemic protest movements in defence of their rural interests. If this view is correct, Estonian country folk appear likely to resist the deterioration of their fortunes mainly through marshalling their individual networks and resources, rather than through large-scale political protest either at the ballot box or at the 'barricades'.²⁰

²⁰ For discussion of such networks cf. Abrahams, 1999.

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