

# 2019 Parliamentary elections in Estonia

# **ANU TOOTS**

March 2019

- The elections to the fourteenth Riigikogu on 3 March 2019 did not yield major changes at first glance, but do indicate some structural changes. Although all political parties represented in the new parliament have been in parliament before, relative strengths are markedly different. The new parliament will be significantly more right-wing (with 65 seats as against 36 for parties on the left).
- While voter turnout, at 63.7 per cent, was similar to previous elections, there is a clearly rising trend in pre-election voting, especially e-voting. Such options obviously promote a shift towards higher involvement on the part of voters abroad, as well as of middle and higher income voters. Election day itself is losing importance.
- The election campaign lacked a clear pervasive theme, but rather largely circled around centre-right and neoliberal issues. Furthermore, over the course of the campaign complex issues were simplified within a populist framework, which had a direct effect on the election outcome. This of course favoured the two winners, namely the neoliberal Reform Party and the right-wing populist Conservative People's Party (EKRE), while bringing about a demobilisation of lower-income and ethnic Russian voters. This weakened the Centre Party and to some extent the Social Democrats.
- The Social Democrats suffered a major defeat, losing five of their 15 seats, as well as their strongholds in south-east Estonia. Due to a lack of appealing candidates and the dominant polarising, nationalistic discourse the party failed in both agenda-setting and in getting its core messages across.
- Coalition formation will be more difficult this time. The winning Reform Party has firmly excluded a coalition with the right-wing populist EKRE. All other combinations are possible, but each is impeded through mutually precluding positions.

Content	1. Electoral system	3
	2. Politics in Estonia: overview	3
	3. Party landscape, leadership and forecasts	5
	4. Main campaign issues	6
	5. The campaign	7
	6. Election results and lessons learned	8

# 1. Electoral system

Estonia has a unitary parliamentary system, with the national parliament (Riigikogu) as the legislature and government as the executive. The President of the Republic is elected by the Riigikogu, or by a special electoral college and has a largely ceremonial role. The unicameral 101-member Riigikogu is elected by Estonian citizens for a four-year-term. Taking the election results into consideration, the president nominates a candidate for prime minister, who, after obtaining parliamentary approval appoints the government. The cabinet of ministers is formally approved by the president, but effective power lies with the political parties represented in the Riigikogu. The Estonian parliament includes four to six political parties; the larger has about 20-30 seats, the smaller 6-8 seats. A minimum of six seats are needed to entitle a political party to form a parliamentary group. Because no party is usually able to obtain an absolute majority of parliamentary seats, Estonia has been ruled by coalition governments. As a rule, coalitions include two or three political parties of different ideological stripes; minority governments are extremely rare in Estonia. Since the restoration of independence in 1991, the Estonian political landscape has become substantially more stable; the major political parties are well established and newcomers rarely survive a second national election. The average life-cycle of government cabinets since 2003 is above 24 months.

Parliamentary elections are major political events because the system is skewed towards central government, which plays a crucial role in defining the direction of policy. Local authorities have relatively little autonomy and are also strongly fiscally dependent on central budget transfers.

Estonia has proportional representation (PR), which means that most candidates are registered on party lists. The composition of party lists is determined by internal procedures laid down in the party statutes. Only officially registered political parties can nominate candidate lists in parliamentary elections. In order to be registered, a political party must have at least 500 members. Currently there are 14 political parties in Estonia, 10 of which participated in the Riigikogu elections

in 2019. Besides the party lists, all eligible persons may nominate themselves as independent candidates. To date, no independent candidate has gained a seat in the Riigikogu, however.

The **election is run** on the basis of a complex three-round system. In the first and second rounds personal and district mandates are allocated in each of the 12 electoral districts. Here open party lists are used, although every elected candidate must personally gain at least 10 per cent of district quota votes. In the third round, compensation mandates are divided at the national level based on closed party lists. Even so, to be elected every candidate must personally obtain at least 5 per cent of district quota votes. Estonia introduced a 5 per cent threshold in 1991, aimed at avoiding excessive fragmentation in the legislature. Although this risk is minimal today, the threshold has been retained.

**Voting age** for national elections is 18, while candidates must be 21 or above. About 6 per cent of the population (or 16 per cent of the voting-age population) do not possess Estonian citizenship and therefore cannot vote in parliamentary elections. Estonian citizens residing abroad (about 10 per cent of the electorate) can vote in all Estonian elections.

Estonia typically has a fairly low turnout at both national and local elections. At the previous parliamentary elections 2015 the **turnout** was 64.2 per cent and at the most recent municipal elections in 2017 only 53.3 per cent. To facilitate participation in elections, Estonia uses advance voting, home voting and internet voting. In the 2017 municipal elections, 31.6 per cent of participating voters voted online.

#### 2. Politics in Estonia: overview

Political stability and the electoral system have contributed to the stability of election results. In contrast to many other European countries, in Estonia the ruling party did not change in the aftermath of the Great Recession (at the 2011 elections). In the long run, too, Estonia stands out because of the exceptional dominance of neoliberal ideology. The Reform Party, which adheres to neoliberalism, also governed between 2005 and 2016.

This was due to consistent electoral support; since 2007 they have obtained about 30 per cent of the votes and occupied about a third of the seats in the Riigikogu. In various periods, they governed in coalition with Conservatives or Social Democrats.

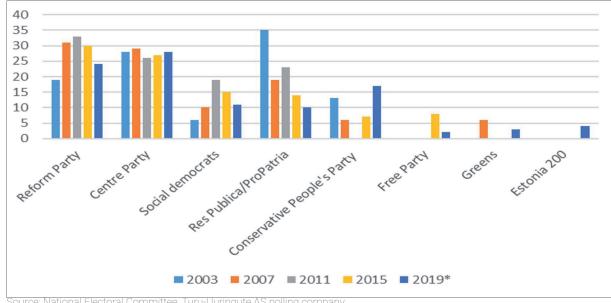
The second most popular party, the Centre Party, also demonstrates remarkable consistency. In four consecutive parliamentary elections they have obtained 26-29 seats. Despite this strong voter support, however, they have been in opposition since 2007 and have not provided a prime minister since 1991. The major reason for this was the personality of the longlived leader of the Centre Party, Edgar Savisaar, whose leadership style was authoritarian and clientelistic. He was also regarded as pro-Kremlin, or at least too pro-Russian. Edgar Savisaar lost his position as party leader to Jüri Ratas in autumn 2016 as a result of intra-party elections. This change made it possible for the Centre Party to form a government after the Riigikogu had voted that it had no confidence in the cabinet of Taavi Rõivas (Reform Party). The current situation (that is, on the eve of the 2019 elections) is that Edgar Savisaar, although the defendant in several corruption cases, has been spared legal action due to ill-health. Jüri Ratas formed a coalition with previous partners the Reform Party-Conservatives (Fatherland) and the Social Democrats, which governed until the recent elections.

The Social Democrats (SDP) have been represented in all parliaments since independence, although

with varying numbers of seats. They managed to increase their representation in 2007 and 2011, but have suffered losses since then. Nevertheless, the Social Democrats have been constantly in government coalitions since March 2014. Current SDP leader Yevgeny Ossinovsky was Minister of Health and Labour in 2015–18 and was heavily criticised for his strict policy on alcohol. He has been held publicly responsible for the increase in the cross-border alcohol trade with Latvia due to the sharp increase in Estonian excise taxes. On the other hand, Ossinovsky was given the European Award for Reducing Alcohol Harm in 2018 by Eurocare. In May 2018 Ossinovsky decided to resign as minister to commit himself entirely to the election campaign.

The story of the moderate Conservative Party is similar, although the party organisation has developed somewhat differently. In 2003 a new moderate right-wing party Res Publica was established, which won a landslide victory in the parliamentary elections and formed the government. Because of a subsequent decline in support, however, Res Publica merged with the National Conservatives to form the Pro Patria Union. Internal party tensions dogged the party for years, eventually leading to a split (the Free Party) and a change of name (Fatherland). Despite every effort, popular support for the moderate Conservatives has not recovered former high levels. Like the Social Democrats, they have been the minor partner in coalition governments since 2007, with a year in opposition in 2014–2015.





# 3. Party landscape, leadership and forecasts

The 2019 parliamentary elections are taking place in a political landscape that differs substantially from previous occasions. Four points may be highlighted:

- (i) the leadership change in the Centre Party;
- (ii) status and leadership change in the Reform Party;
- (iii) the rise of right-wing populism;
- (iv) the emergence of new political parties.

The leadership change in the Centre Party has made it more suitable for coalition. At the same time, opinions remain divided regarding any change in its internal political culture. Some believe that the current leadership of the Centre Party has renounced corruption and efforts to placate the Russian-speaking population, while others claim that this apparent turn to democracy and transparency is just a façade. Nevertheless, the constituency of the Centre Party remains strong and stable, which enabled it to approach election day with optimism. A generational change is also evident; »comrades« of Savisaar have been moving backstage and a new set of leaders aged 30-40 are becoming key players. This new generation typically has a background in Tallinn city government and includes several popular non-ethnic Estonians (Mihhail Kõlvart, Mihhail Korb, Vladimir Svet, Raimond Kaljulaid).

The Reform Party went into the election as a challenger for the first time since 2005. After the defeat of Taavi Rõivas as prime minister, Kaja Kallas was elected to lead the Reform Party. As an MEP and the daughter of a former prime minister and party leader Siim Kallas, expectations towards the party's first female leader were high. She has had to cope with internal party tensions, however, and the party's election platform shifted from rightwing liberalism to a stronger emphasis on populist redistribution. In result, the Reform Party's support declined during 2018.

As in many other European countries, populist right-wingers have enjoyed increasing success in Estonia. The populist Conservative People's Party (EKRE) is not entirely new. It re-entered the political arena in 2015 after its predecessor Rahvaliit had vanished (in the 2011 elections Rahvaliit obtained 2 per cent of the votes and thus failed to make it into parliament). During the past year (2018-early 2019), however, EKRE has enjoyed stable support of about 15-20 per cent and thus was very likely to enter the Riigikogu as the third political force in 2019. The reasons for the rise of right-wing populism in Estonia are manifold. They include the international situation, especially migration crises, political spillover from Scandinavia (increasing worries related to the immigrant population in Finland and Sweden, the rise of the far right in all Nordic countries), internal problems facing the moderate Conservatives (Pro Patria Union/Fatherland) and EKRE's ability to retain its traditional constituency in rural areas and to gain new voters (including young people) in cities. The closer election day came, the more radical EKRE's views became. It is now a clearly anti-establishment, anti-immigrant and anti-EU political party. Its populism is more pronounced in domestic affairs, where EKRE promises to double old age pensions, abolish health care waiting lists and literally cut all taxes. EKRE stands out with its radical resistance to same-sex marriages, LGBT rights and mass immigration. In international affairs, similar to all Estonian political parties, it supports active membership of NATO and prioritise an increase in military spending. Currently EKRE stands for an »EU of nation states« and as far as this vision is achieved, it foresees Estonia remaining in the Union.

A fourth feature of the political landscape in 2019 is the participation of two new political parties. Generally speaking, this was made possible by the amendment of the Political Parties Act in 2014 that lowered the minimum required number of party members to 500 from the previous 1,000. The »Richness of Life« party (Elurikkuse Erakond, ERE) can be characterised as a post-populist movement, with environmentalism and smart green communities as the core of its platform. Some ERE leaders originate in the Free Party, while others are totally new to party politics, having made their names as hard-line environmentalists. It is worth mentioning

that Estonia also has a long-established Green Party, but its support lies at around 3–4 per cent. The second recently established political party is »Estonia 200«, which purports to have a long-term policy plan for the country. To some extent, »Estonia 200« reflects dissatisfaction among some business people with the pace of economic and national development. In the first few months after its formal registration the party increased its support to 8–9 per cent, but a week before the elections they were polling only 4 per cent. Ideologically, »Estonia 200« remains somewhat. With a membership including businessmen and the intelligentsia they can be placed somewhere in the middle of the political spectrum.

Besides these five established and three lately emerging parties there are a couple of minor political parties, the Greens (as already mentioned) and the ethnic-Russian United Left Party. Neither had much of a chance to win a seat in the Riigikogu.

Beyond party affiliations, a substantial number of Estonians (38 per cent) do not have a political preference. According to a survey about a week before election day, only 10 per cent of them intended to vote.

#### 4. Main campaign issues

The 2019 election campaign did not have pervasive themes that would make it possible to clearly distinguish between the party platforms. From time to time some issues popped up, but did not remain at the forefront for long. Three general features can be highlighted, however:

- (i) domestic issues, including »saving« the country and Estonian culture, are central.
- (ii) foreign policy issues (EU after Brexit, relations with Russia, climate change) are very marginal;
- (iii) domestic policy debates moved from initial substantive debates to simplistic populist promises of higher benefits and better services, accompanied by tax cuts.

Most prominent among specific issues were tax policy, social policy, education and research, and military security. The economy and the labour market received relatively little attention; most political parties suggested that their current policy line would be maintained.

**Tax policy** was addressed in all the party manifestos, due mainly to the recent changes in government tax policy. Income tax was covertly made progressive in 2018, in contrast to the previous flat-rate system, and pension benefits were added to total taxable income. Moreover, excise taxes on alcohol and petrol have been increased substantially, leading to loud public dissatisfaction and boosting cross-border trade with Latvia. In response, all opposition parties promised to lower excise duties and make pension payments taxfree. Even the left-wing coalition parties (the Centre Party and the Social Democrats) agree on that, although they differ from the right-wing parties in wanting to keep the current income tax brackets. Social insurance contributions are rather high in Estonia (totalling 37.4 per cent) but were not a prominent topic in the election campaign.

Social policy themes tend to go over well in election campaigns and populism has been most evident in this area. All parties are keen to court elderly people by promising higher pensions. At the same time, the first pillar (pay-as-you-go) of the pension system is suffering from a substantial deficit close to 2 per cent of annual GDP. Some alleviation is provided by upbeat economic forecasts and ever increasing social contribution revenues, however. The party manifestos did not offer any solution concerning how to improve the sustainability of public pension funds while at the same time maintaining senior citizens' living standards. The effectiveness of the compulsory funded pension schemes (second pillar) has received guite a lot of attention due to the poor performance of the relevant funds. The neoliberal Reform Party wants to emphasise individual contributions, the social-liberal Centre Party promises to make the current system more efficient and the national-conservative »Fatherland« party proposes to make the currently obligatory second pillar voluntary.

On health policy, the common concern of all political parties is long waiting times, which all have promised to cut. It remains totally unclear in the party manifestos, however, what viable tools are available to achieve this. Another big problem – the lack of health insurance coverage for about 120,000 people (14 per cent of the population) was not reflected in the electoral campaign.

The Social Democrats have been focusing on a specific topic, care of elderly and disabled people, which currently is poorly provided by the public sector and very expensive in the private sector. The Social Democrats are the clear »owners« of this issue and have promised to reduce the cost of institutional care (currently about 800 euros a month) to the level of the average pension (currently 480 euros). Although the issue is very urgent, it has not done much to boost support for the Social Democrats.

As usual, family policy has been prominent in manifestos without much difference between the parties. The generous parental leave system will be retained and made more flexible; free childcare has been promised by several (mainly left or centre-left) parties.

Education policy has been less prominent than usual, with a slightly different focus. Because teachers' wages have risen, this topic has lost much of its salience. The question of the language of tuition remains important, however, and was used in the campaign to heighten the confrontation between the Centre Party and the Reform Party, but also between the left and the right more broadly. The Centre Party, which has a large Russian-speaking constituency, advocates a step-by-step transition to the Estonian language for instruction, whereas right-wing parties, especially the Reform Party, are calling for a more rapid transition. Moreover, this time the language issue was extended to all stages of the education system, from kindergarten to university. In higher education, concerns have been expressed about the invasion of the English language into study programmes and research output, which the nationalist parties have sought to exploit for their own electoral ends. It is worth nothing that on the language question the Reform Party's position predates its adoption of economic-liberal principles and it takes a clear nationalist stand.

There is a strong cross-party consensus on **security policy**. No one questions the strong military presence of NATO troops in Estonia, or the allocation of 2 per cent of GDP to military expenditure. The Conservative People's Party is keen to ask for financial help from the United States (up to 1 billion euros/dollars) and moderate nationalists from the »Fatherland« party want to increase defence spending to 2.5 per cent of GDP.

## 5. The campaign

The 2019 campaign intensified in its final weeks because the two main political parties – the Reform Party and the Centre Party – were running neck and neck. The number of surveys, opinion polls and so on, all too often unreliable, has been higher than usual.

Overall, election campaigns are regulated by the Political Parties Act, but this is widely seen as requiring adjustment to the real situation. First, outdoor campaigning is prohibited up to 40 days before elections but due to the vague wording of the law it is possible to campaign in public spaces (motor vehicles, supermarkets and shopping malls). The police have complained that this uncertainty entails a lot of pointless work for them. Second, there are no regulations on political campaigning on social media, in which recently established (or reformed) parties (including the populist EKRE) are very active. Third, advance voting is becoming more and more popular. In 2019, already 39 per cent of voters voted before the actual voting day. This means that opinion polls continue to be released at a time when voting is already proceeding on a large scale.

Despite some rather heated debates, the campaign has not been a »dirty« one. There has been only one major leak intended to discredit a particular candidate. Rainer Vakra (Social Democrat) was accused of committing plagiarism at university 17 years ago. An opinion poll released shortly after this information was made public revealed

a fall in public support for the Social Democrats of 1.4 per cent within a month.

#### 6. Election results and lessons learned

The **turnout** was 63.7 per cent. This is very similar to the previous election and typical for Estonia. At the same time, there were remarkable disparities across districts. North-east Estonia, populated mainly by Russian speakers, had a record low turnout of 51 per cent; those parts of the capital city in which Russian speakers form a majority also had a lower than average turnout. By contrast turnout in the districts surrounding the capital and the upper middle class areas of Tallinn was well above average (69–70 per cent). These large disparities obviously had an effect on the upstreaming Reform Party and the downstreaming Centre Party.

The share of online voting was at a record high (44 per cent of all votes), as was the share of advance voting (61 per cent of all votes). All this makes election day proper less important and the week prior to the election the most important. The very intensive campaigns of the Reform Party and the Conservative People's Party at least partly explain their impressive electoral results.

The Reform Party took 29 per cent of votes nationwide, which makes them the largest fraction in the Riigikogu, with 34 seats. Reform Party leader Kaja Kallas obtained a record high number of votes (20 083), while several other Reform Party candidates also performed extremely well (Siim Kallas, Urmas Paet, Jürgen Ligi, Kristen Michal, Urmas Klaas). This gives Kaja Kallas a very strong mandate to form a government.

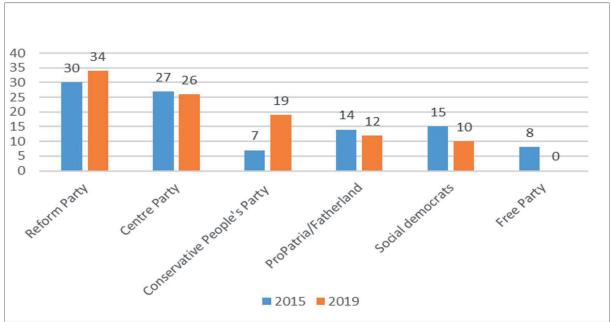
The second favourite in the 2019 elections, the **Centre Party**, retained almost all its seats (26), but this result has been perceived as a defeat. Based on voting data it seems that the major factor was the failure to mobilise its core constituencies. As already explained, the Russian-speaking minority is one such constituency and today, when inter-ethnic tensions are not as heated as formerly, many did not feel motivated to vote. Estonian supporters of the Centre Party (especially in the

north-east) abstained from voting because of their dissatisfaction with the party's position on the language of tuition in upper secondary schools.

The Conservative People's Party had its best ever result, with 18 per cent of the votes and 19 seats. This boosted its parliamentary representation by 12 seats, which means that the Riigikogu will include a substantial number of newcomers. As a parliamentary political actor, however, EKRE will have to come up with realistic positions in most policy areas. To date, by contrast, their popular support has been built on nationalist and anti-establishment rhetoric with promises of higher benefits and public goods, supposedly accompanied by tax cuts. They are also free with their promises of »giving the state back to the people«. Proposals along these lines include electing the president and reforming the court system. One new EKRE MP in an early post-election interview remained characteristically vague, claiming that they will address »truly important« issues instead of bothering themselves with such »nonsense as LGBT rights or same-sex marriages«. Given that likely prime minister Kaja Kallas has totally excluded coalition with EKRE, they may sit with the opposition and continue beating their nationalist drum.

The performance of the **Social Democrats** reflected the latest opinion polls and the result is an utter defeat. Instead of the 15 seats they held in 2015 they now have only 10. One problem is their seeming inability to field attractive candidates. No SDE candidate in 2019 surpassed the district quota with their personal vote; party leader Yevgeny Ossinovsky gained only 2,680 votes, significantly below other party leaders. In substantive terms the campaign of Social Democrats was too moderate and probably too sophisticated for most voters. Having excellent policy experts and sustainable policy proposals was not a winning strategy in the 2019 election, as the poor results of »Estonia 200« confirmed (it received only 4.5 per cent of the votes, which is not enough to get into parliament). It is worth noting that the Social Democrats lost their former dominance in south-east Estonia to the right-wing populists. These regions are poorer, with higher unemployment and lower life satisfaction, which made them vulnerable to populist





manipulation. Many voters here, for example, clearly disliked the SDP's alcohol policy.

**»Fatherland«**, representing moderately nationally-minded constituencies ended up with 11 per cent of the votes and 12 seats. This is slightly less than previously, but much better than had been forecast three or four months before the elections. It is possible that when »Estonia 200«'s poll ratings started to decline, some swing voters returned to the conservative »Fatherland«.

Forming a coalition government will be more difficult in 2019 than in earlier years and politicians and experts alike are reluctant to voice their predictions. Kaja Kallas (Reform Party) will probably be asked by President Kersti Kaljulaid to form a cabinet and the Reform Party has already started negotiations with possible partners. Kaja Kallas has said they will not consider forming a government with the populist EKRE, but all other combinations are possible. There are very difficult trade-offs to be made, however, especially on tax policy and citizenship/language policy. The Reform Party wants to return to the flat-rate income tax system, which is not an option for the Centre Party and the Social Democrats. On citizenship and language policy, the Reform Party has radical views that are in line with

those of the »Fatherland« party, except that the Reform Party also favours dual citizenship, which is not acceptable to »Fatherland«. Moreover, one of »Fatherland«'s key election promises was the abolition of mandatory funded pension schemes, whereas the Reform Party wants to promote pillars two and three. Overall, foreign and defence policy will not pose substantial obstacles in coalition negotiations, but there will be many disagreements on domestic affairs.

Long-term changes in the political landscape resulting from the 2019 election will most likely affect the Centre Party and the Conservative People's Party. The Centre Party has to work out how to keep and mobilise Russian-speaking voters, while not losing its Estonian constituency. The People's Party may face a situation similar to that of the True Finns Party in Finland. The latter became the third largest party in 2011 and a coalition partner in 2015, but this success turned out to be a Pyrrhic victory for the Party, which subsequently split and has lost much of its popular support, while adopting a more moderate programme.

For the foreseeable future the Social Democrats will probably remain a minor player, with its traditional level of support at around 10 per cent.

#### About the author

Anu Toots is Professor of Social Policy in Tallinn University, School of Governance, Law and Society. Her research interests include the transformation of the welfare state in the era of the new economy and fiscal austerity. Currently she is working on social investment policy in the Baltic region. Her research articles have appeared in Social Policy and Administration, Comparative Education, Journal of Baltic Studies, Studies of Transition States and Societies and many others. Anu Toots has extensive expertise in policy evaluation and consultancy; she has worked as an expert with UNESCO, the European Commission and the Bertelsmann Foundation. Contact: anu.toots@tlu.ee.

#### **Imprint**

Friedrich-Ebert-Stiftung | Riga Office 37-64 Dzirnavu iela | Riga, LV-1010

Responsible:

Peer Krumrey | Director of the FES in the Baltic States

Tel.: +371 6783 05 39 https://www.fes-baltic.org

https://www.facebook.com/FES.BalticStates

Commercial use of all media published by the Friedrich-Ebert-Stiftung (FES) is not permitted without the written consent of the FES.

#### About the FES

The Friedrich-Ebert-Stiftung (FES) is the oldest political foundation in Germany with a rich tradition in social democracy dating back to its foundation in 1925. The foundation owes its formation and its mission to the political legacy of its name-sake Friedrich Ebert, the first democratically elected German President. The work of the FES focuses on the core ideas and values of social democracy – freedom, justice and solidarity. This connects the FES to social democracy and free trade unions. As a non-profit institution, the FES organizes its work autonomously and independently.

The FES promotes:

- a free society, based on the values of solidarity, which offers all its citizens the same opportunities to participate on political, economic, social and cultural levels, regardless of their origin, sex or religion
- a lively and strong democracy; sustainable economic growth with decent work for all
- a welfare state that provides more education and improved healthcare, but at the same time combats poverty and provides protection against the challenges that life throws at citizens
- a country that is responsible for peace and social progress in Europe and in the world.

### FES in the Baltic States

Shortly after the restoration of independence, in 1992, the Friedrich Ebert Foundation started its activities in the three Baltic States and opened offices in Riga, Tallinn and Vilnius.

The core concern was to support the democratic transition processes, to accompany the Baltic States on their way to the European Union and to promote the dialogue between the Baltic States and Germany, and among the countries of this region.

The current focus of the work of the Friedrich Ebert Foundation in Estonia, Latvia and Lithuania is:

- strengthening democracy and active civil society
- supporting the European integration process
- contributing to the development of a common European foreign and security policy
- promoting a fair and sustainable development of economic and social policies in the Baltic States and in the EU

The views expressed in this publication are not necessarily those of the Friedrich-Ebert-Stiftung or of the organization for which the author works.