




Weekly Briefing

**Estonia social briefing:
Estonian society in 2018: an overview
E-MAP Foundation MTÜ**

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Estonian society in 2018: an overview

Being able to reach a significant milestone is not a given for every statehood. This is especially the case when one attempts to analyse the turbulent as well as ruthless XX century, during which dozens of statehoods would come and go, with some of them disappearing completely. Therefore, the undisputed fact of the Estonian Republic's centennial, which the country had proudly and extensively celebrated from February and throughout the year, became a core element of all possible discussions, activities, drawbacks, and forecasts in regards of the Estonian society-bound developments within 2018 and, most certainly, further on. To sum those up, there is a logic in presenting the summary – that appears to be more positive rather than worrisome – in the following three 'baskets': **digitalisation**, **social life**, and **societal cohesion**.

Digitalisation

Directly connected with the concept of e-Governance, which was strategically chosen by the Estonian Government in 1997 as the way to go, the digitalisation of the Estonian society has led to a significant breakthrough – by 2018, **about 99% of public services** in the country are now available to citizens/residents as e-services, while, in the vast majority of cases, an Estonian citizen/resident does not need to physically attend an agency that provides the service¹.

These days, almost everyone who lives in Estonia as a citizen or permanent/temporary resident has a particular type of an ID card that essentially became the country's national card, carrying important files and using 2048-bit public key encryption. E-voting, travelling, business operations (including company registration and banking), e-signatures, digital medical prescription and many other activities and functions are associated with the usage of the ID card in Estonia – not many remember, though, that the first Estonian smart ID card was issued in 2002, when the 'digital' world was very different. In September 2018, Kaspar Korjus, Managing Director of e-Residency, noted that “[s]ome **370 million digital signatures** have [already] been provided, saving Estonia the equivalent of 2% of GDP every year”².

Remarkably, via digitalisation, the country's cultural heritage became easily accessible for anyone in the world – as reported recently, by now, “the most valuable part of the [Estonian]

¹ 'Success stories'. *e-Estonia*. Available from [<https://e-estonia.com/>].

² Kaspar Korjus in Oliver Pickup, 'Estonia: the world's most advanced digital society?'. *Raconteur*. 5 September 2018. Available from [<https://www.raconteur.net/technology/estonia-digital-society/>].

cultural heritage has been digitised”³. In this context, the idea of Estonian e-Residency⁴, which has had **a noticeable promotional boost in 2018**, could be considered as yet another offer of Estonia to the world, in order to share the country’s broad and holistic vision in regards of effective as well as proactive digitalisation for the common good.

Social life

The nearly perfect level of effective digitalisation in Estonia can be, however, challenged and, in a way, diminished, by some of the social life-related indicators. For example, as reported in December 2018, **22.6% of the Estonian population live at risk of poverty**, and, unfortunately, this number has an increasing dynamics⁵. To bring a more concrete range of figures into the context, in 2017, a person was statistically treated as being at risk of poverty if “his/her equivalised monthly disposable income was smaller than EUR 523.00”; the absolute poverty level was indicated by any figure that would be smaller than EUR 207.00⁶. Last year, **3.4%** of the Estonian population (44,000 people) were **living in absolute poverty**, and, again, this dynamic had an increasing nature⁷.

At the same time, there is a social indicator that may help the country to successfully tackle the poverty-related challenges – the **50-74-year-olds are becoming more active** in the labour market. In the 2018’s 3rd quarter, **59.1%** of the aforementioned segment of the Estonian society were employed, and this particular indicator is the country’s **highest in the century** – if compared to the same period of 2017, “the number of employed persons among age group 50–74 increased by 4,500 and the number of unemployed persons decreased by 3,000”⁸. This development is of immense importance in the process of poverty eradication in Estonia, since the older groups of society are one of the most vulnerable in such a respect. What is also encouraging for the stability of the country’s society-building frameworks, the most active

³ ‘Digital Agenda 2020 for Estonia’. *Ministry of Economic Affairs and Communications*. Available from [https://www.mkm.ee/sites/default/files/digital_agenda_2020_estonia_engf.pdf].

⁴ As declared, Estonian e-Residency is a transnational digital identity available to anyone in the world interested in administering a location-independent business online. e-Residency enables to use secure and convenient digital services that facilitate credibility and trust online. [...] e-Residency does not confer citizenship, tax residency, residence or right of entry to Estonia or to the European Union. It is not a visa or residence permit. See more on the topic: [<https://apply.gov.ee/>].

⁵ ‘295,000 Estonian residents lived at risk of poverty last year’. *Statistics Estonia*. 18 December 2018. Available from [<https://www.stat.ee/news-release-2018-133>].

⁶ ‘295,000 Estonian residents lived at risk of poverty last year’.

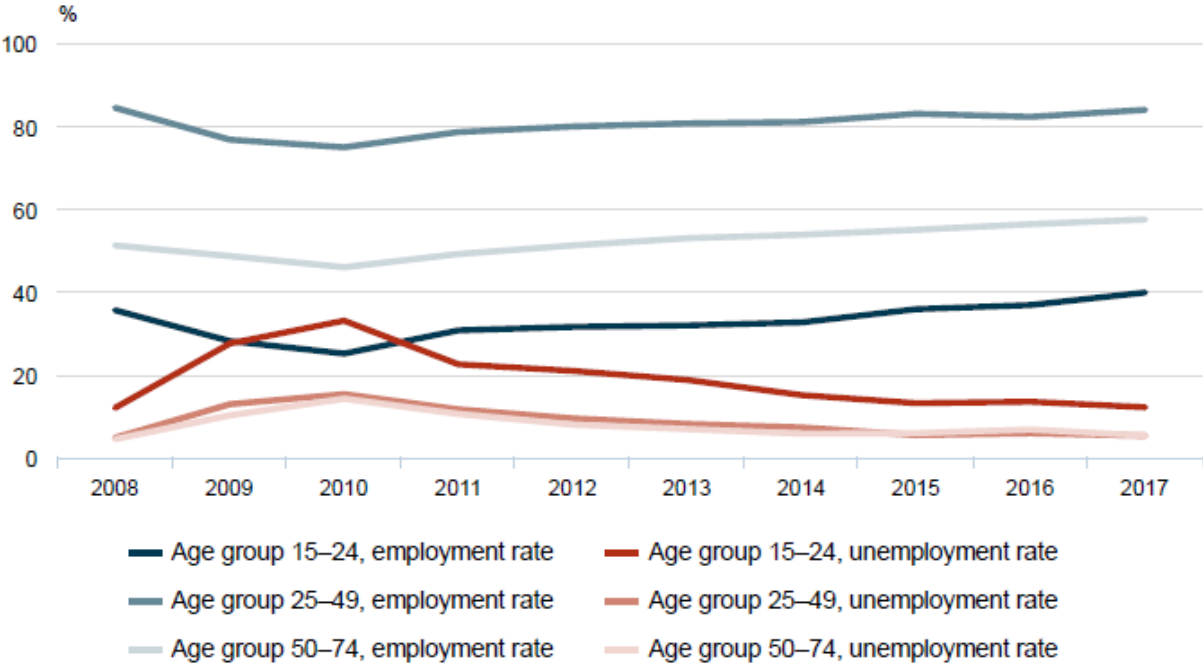
⁷ ‘295,000 Estonian residents lived at risk of poverty last year’.

⁸ ‘Older persons are becoming more active in the labour market’. *Statistics Estonia*. 14 November 2018. Available from [<https://www.stat.ee/news-release-2018-117>].

segment of the Estonian population – the 25-49-year-olds – represents also the most active societal group in the labour market: 88.1% of them are employed⁹ (see *Table 1* for details).

Table 1

Employment rate and unemployment rate by age group, 2008–2017



Source: Statistics Estonia

Social cohesion and some of the main digits

As at 1 January 2018, the preliminary estimate of the population of Estonia showed the figure of 1,318,700 people, which is 3,000 odd persons more than a year ago. At the same time, one should remember that the country’s population is not ethnically homogeneous. As reported before, back in 2017, out of the then total population of 1,315,635 people, the records showed that ‘Estonians’ (904,639 people) represented the largest ethnic group, following by ‘Russians’ (330,206), ‘Ukrainians’ (23,183), ‘Belarusians’ (11,828), ‘Finns’ (7,591), and others¹⁰. However, the total number of foreigners (the figure included citizens of other EU Member States and non-EU citizens) who were usually residing in the country on 1 January 2018 was

⁹ ‘Older persons are becoming more active in the labour market’.
¹⁰ ‘Population by ethnic nationality, 1 January, years’. *Statistics Estonia*. 9 June 2017. Available from [https://www.stat.ee/34278].

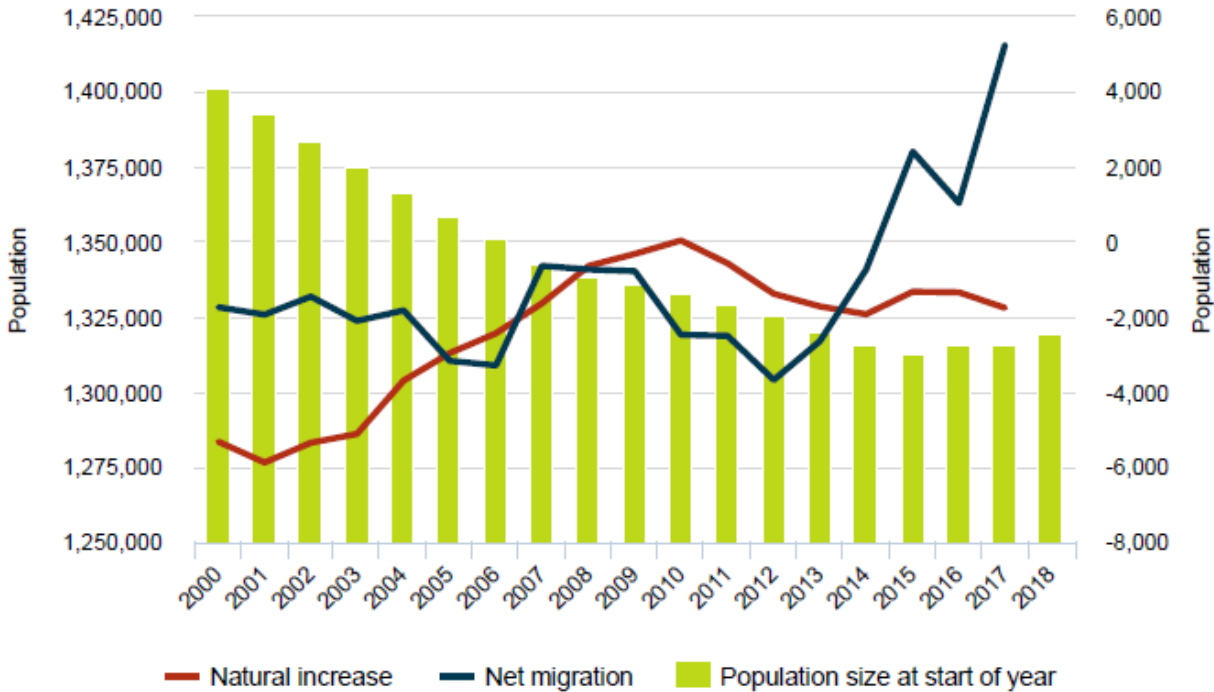
196,344 people¹¹, therefore it is possible to argue that many of ethnic Belarusians, Russians, Ukrainians and other non-ethnic Estonian residents hold Estonian citizenship.

There is also an interesting piece of data, underscoring that, in 2017, 17,616 people took up residence in Estonia, whilst 12,358 people left the country – such a positive dynamics was at a record high in 2017¹². In citizenship-related terms, nearly a half of the new immigrants to Estonia were Estonian citizens (!), followed by citizens of Russia, Ukraine, Finland and Latvia; at the same time, Estonian citizens represented two thirds of the total number of emigrants, with the rest being people with Russian, Finnish and undetermined citizenship.

As an outcome of this development, if the figures are based on net migration, the numbers of **Ukrainian and Latvian citizens** now residing in Estonia have increased the most (correspondingly by 744 and 683 people)¹³. In general, despite the **lack of natural increase**, the last three years have drawn up a promising trend for the country – its **population is on the rise** (see Table 2 to understand the dynamics from the beginning of the century).

Table 2

Change in population size and in events affecting it, 2000–2018



¹¹ Population by citizenship – Foreigners. *Statistics Estonia*. Available from [https://www.stat.ee/57209].

¹² See more on the topic via *Statistics Estonia*, 9 May 2018. Available from [https://www.stat.ee/news-release-2018-007].

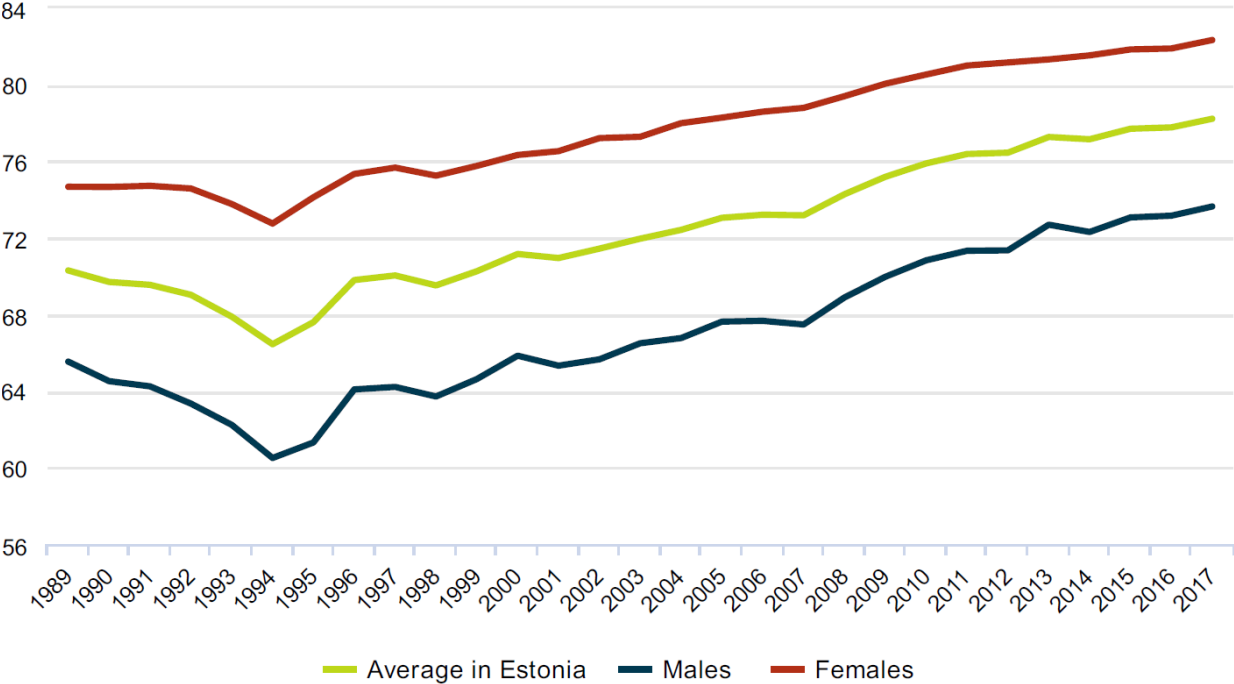
¹³ *Statistics Estonia*, 9 May 2018.

Source: Statistics Estonia

The above development is strongly backed up by the increasing indicators on **life expectancy** in the country – currently, the figures are **73.7 years for males** and **82.3 years for females** (see Table 3 for more details), leaving Estonia on 23rd place among the EU Member States¹⁴. However, considering the fact that, in the last decade, male life expectancy rose by 6 and female life expectancy by 3.5 years, the country is likely to move up the ranks very soon. This is not to mention that, since the end of 1980s (the final period of the Soviet occupation) and the beginning of 1990s (the initial period after regaining its independence), Estonia managed to effectively pay attention to a number of factors, on which life expectancy depends, namely environmental issues, living standards in general, and access to healthcare.

Table 3

Life expectancy at birth, 1989-2017



Source: Statistics Estonia

One may argue that, by 2018, Estonia has reached a point in its history when the country has plenty in its society-associated possessions to eventually accomplish something that only three

¹⁴ 'Life expectancy is increasing in Estonia'. *Statistics Estonia*. 5 September 2018. Available from [https://www.stat.ee/news-release-2018-094].

decades ago seemed like a ‘science fiction’ – a socially cohesive population, in which the vast majority of people, regardless of their linguistic and cultural backgrounds, can be active in the country-building process, while sharing the same set of values. An increasing population, a positive dynamics in life expectancy, a unique ‘digital’ dimension of the country’s every-day life, and, more importantly in the Estonian context, a high rate of Estonian citizenship held by non-ethnic Estonians – all these and many other factors can ‘create’ a solid base for further development of the country’s non-ethnically homogeneous society. From all perspectives, 2018 represents the end of a very decent beginning. Evidently, Estonia is ready for its next century.

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