

Stir Well the Melting Pot: Persistence of Inter-Ethnic Cultural Divide in Estonia

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Extended abstract

Ethnic minorities maintain distinct norms and values over generations (Nunn, 2012) due to early-life socialization in the families and surrounding communities (Bisin, Verdier, 2000). At the same time norms and values of minorities and migrants could also exhibit convergence to the national mainstream (Dinesen, 2013) due to later-life political and institutional learning and shared “generational memories”. Such convergence, however, is often obstructed by segregation, discrimination, and mistrust between ethnic groups, in which case ethnic polarization leads to persistent cultural divides. A culture gap caused by ethno-linguistic divisions could weaken institutional performance and the quality of governance; obstruct democratic consolidation and economic growth; and become a source of instability and civil conflict (Montalvo, Reynal-Querol, 2005; Easterly, Ritzen, Woolcock, 2006).

We explore drivers and impediments to inter-ethnic cultural convergence in Estonia, where nearly 30% of population are native Russian speakers, mostly ethnic Russians. With rare exception, the Russian-speaking population of Estonia comprises migrants and their descendants who arrived to Estonia when it was part of the Soviet Union.

After regaining independence in 1991 Estonia has become an accomplished market democracy, and as such could serve as a test as to whether successful institutional reform brings about convergence of social and political values and attitudes across distinct social groups. One could expect that a quarter-century period of cohabitation under the new economic and political institutions should narrow the gap in norms, values and attitudes between the two largest ethnic groups in the country.

We present evidence drawn from six consecutive rounds of the European Social Survey covering the period from 2004 through 2014. Survey’s samples in Estonia are nationally representative and include 1,100-2,000 respondents per round. Survey results reveal a persistent inter-ethnic values and attitudes divide in Estonia with the Russian-speaking minority being less liberal, more paternalistic, less trusting national institutions, such as parliament and courts, less satisfied with the Estonian democracy, and sensing discrimination. While these and other views and attitudes in the Estonian population at large evolved over time, the ethnic gap was largely unaffected by such societal changes.

By controlling for various individual characteristics that could affect cultural views, we isolate the impact of ethnicity from its correlates and show that it remains a significant factor

of values and attitudes in and of itself, especially with regard to the perception of the Estonian society, placement on the autonomy to paternalism scale, and attitudes to state and political institutions. Moreover, the passage of time does not weaken the significance of ethnicity as a factor of culture.

Next we investigate if ethnicity and other individual characteristics are independent drivers of views and attitudes, or they interact with (moderate or amplify) each other, and find almost no evidence of such interaction, which suggests that the impact of ethnicity remains largely uniform across income, education, age, citizenship etc. We do observe, however, that the perception of discrimination underpins (mediates, in the sense of Baron and Kenny, 1986) the relative mistrust among the Russian minority in the national institutions.

In search of an explanation of such persistence we turn to the spatial distribution of the Russian-speaking population, which is highly concentrated in the North-Eastern region of Estonia and in some districts of the national capital Tallinn, where Russian speakers are locally dominant groups. This allocation is largely exogenous, reflecting the location of Soviet-time large enterprises attracting migrants from the rest of the Soviet Union, and the location of former Soviet military facilities which were also manned predominantly by ethnic Russians. Hence the modern population mix (which has changed little over 25 years of independence) can be viewed as an outcome of a “natural experiment”.

Our identification strategy relies on the data of the 2012 census, which include ethnic composition of Estonia’s 214 municipalities. The percentage of ethnic Estonians in a municipality is used as a proxy for day-to-day contact of ethnic Russians with ethnic Estonians. We show that this variable has a consistently strong impact on the ethnic gap, noticeably reducing (in regressions with interaction between ethnicity and ethnic mix) the full marginal effect of ethnicity on values and attitudes.

Interestingly, life satisfaction of ethnic Russians is negatively affected by the prevalence of ethnic Estonian neighbors, which could be evidence of the costs to an individual of changing his/her identity (Akerlof, Kranton, 2000) in the process of assimilation and cultural convergence to the national mainstream. Also noteworthy and somewhat counter-intuitively, the sense of discrimination expressed by ethnic Russians becomes noticeably weaker in municipalities with larger indigenous population, which suggests that such feeling is at least in some part based on stereotypes rather than reflecting reality.

The above results are robust to various values and attitudes and specifications of the model. Endogeneity concerns can be addressed by instrumenting the present population mix by the results of the 1989 census, conducted in Estonia two years prior to independence.

We conclude that day-to-day contact and interaction between ethnic groups is a powerful driver of cultural convergence, in the case of Estonia prevailing over possible countering efforts of outnumbered ethnic minorities to preserve their identity (Bisin, Verider, 2000) and resulting in a net assimilation effect. This suggests that high spatial concentration of the ethnic Russian population in a few areas (de facto spatial segregation in some parts of the country) could be an explanation of the persistence of the inter-ethnic culture gap in Estonia.

In the appendix below we present some of the above evidence in greater detail.

References

Akerlof, G., and Kranton, R. (2000) Economics and Identity. *Quarterly Journal of Economics*, 115, 715-753.

Baron, R., Kenny, D. (1986) The Moderator-Mediator Variable Distinction in Social Psychological Research: Conceptual, Strategic, and Statistical Considerations. *Journal of Personality and Social Psychology*, 51, 1173-1182.

Bisin, A., and Verdier, Th. (2000) “Beyond the Melting Pot”: Cultural Transmission, Marriage, and the Evolution of Ethnic and Religious Traits. *Quarterly Journal of Economics*, 115, 955-988.

Dinesen, P.(2013) Where you come from or where you live? Examining the cultural and institutional explanation of generalized trust using migration as a natural experiment. *European Sociological Review*, 29, 114-128.

Easterly, W., Ritzen, J., Woolcock, M, (2006) Social Cohesion, Institutions, and Growth. *Economics and Politics*, 18, 103-120.

Montalvo, J., Reynal-Querol, M. (2005) Ethnic Polarization, Potential Conflict, and Civil Wars. *American Economic Review*, 95, 796-816.

Nunn, N. (2012) Culture and the Historical Process. *Economic History of Developing Regions*, 27(S1), 108-126.

Appendix

A. Views and attitudes covered by the European Social Survey

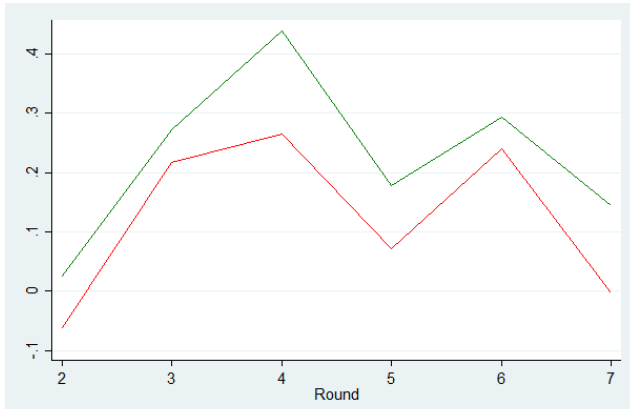
1. Perception of society:
 - Trust (people can be trusted)
 - Fairness (people are fair).
2. Modern/traditional views:
 - Tolerance for sexual minorities.
3. Attitude to state and political institutions:
 - Trust in parliament
 - Trust in the legal system
 - Satisfaction with democracy in the country.
4. Autonomy vs paternalism:
 - Government should reduce differences in income level
 - Important to do what is told and follow rules
 - Important to make own decisions and be free
 - Important that government is strong and ensures safety.
5. Feeling of discrimination:
 - Member of a group discriminated against in Estonia.

B. Covariates

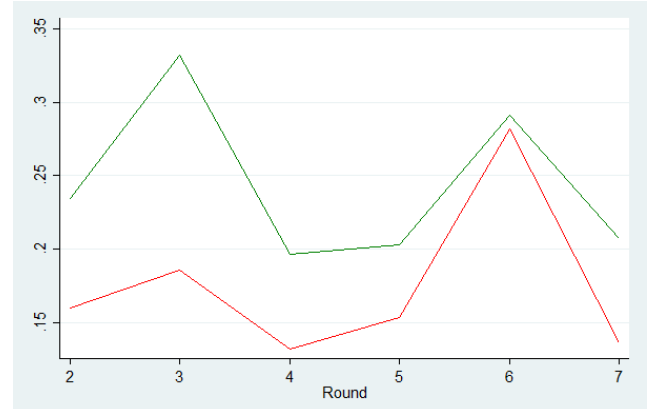
- Ethnicity (first language)
- Estonian citizenship
- Native of Estonia
- Difference in the number of formative years (18-28 years of age) lived after and before 1991
- Education
- Household's income
- General political views (placement on the left-right scale)
- Share of Estonian-speaking population in the resident's macro-region (Northern, Central, Northeastern, Western, Southern).

C. Drivers of Views and Attitudes

Contribution of ethnicity to ethnic gap



Government should reduce differences in income levels



Member of a group discriminated against in the country

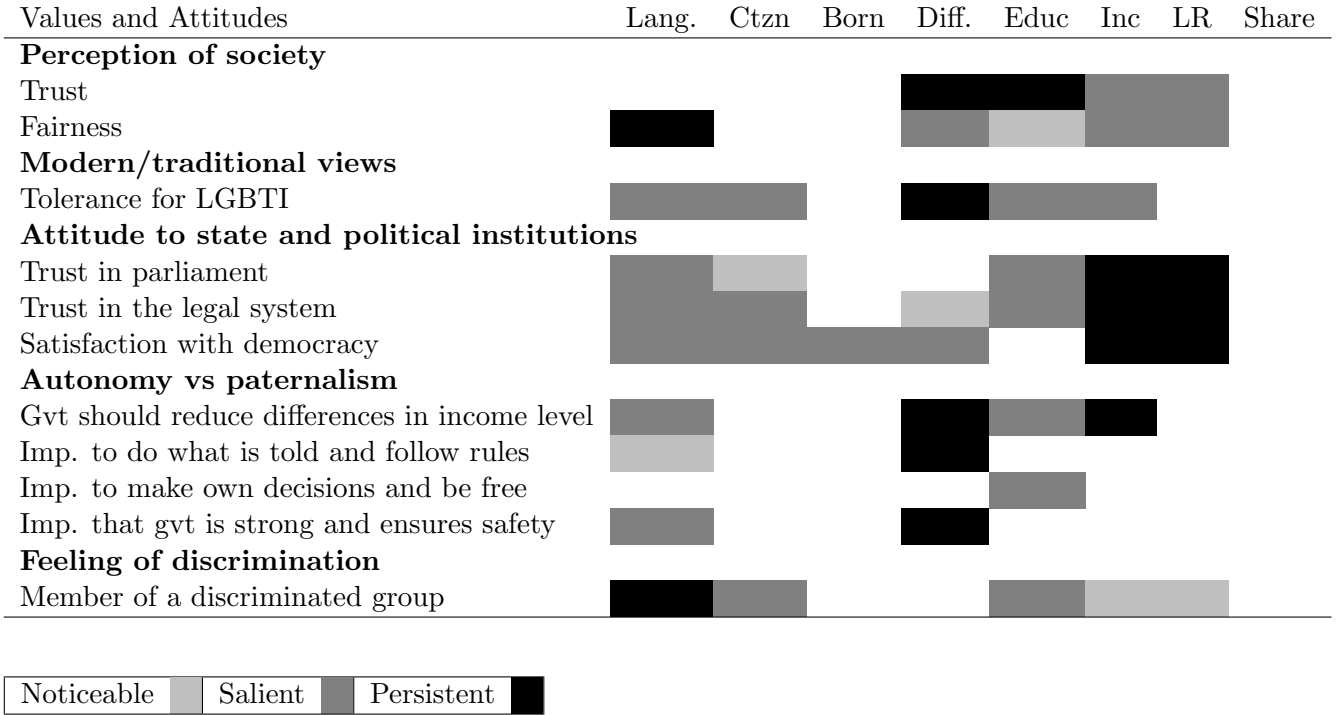
Total gap (green) and isolated contribution of ethnicity (red).

Round-by-round multivariate regression analyses reveal contributions of various factors into views and attitudes of the Estonian population.

1. A factor is *noticeable* for an attitude if it has a consistent sign through all rounds and is statistically significant at the level of 10% and higher for at least half of the rounds.
2. A factor is *salient* for an attitude if it has a consistent sign through all rounds and is statistically significant at the level of 5% and higher for at least half of the rounds.
3. A factor is *persistent* for an attitude if it has a consistent sign through all rounds and is statistically significant at the 1% level at least five rounds out of six.

Ethnicity is salient for most of the values and attitudes (see table on the next page).

Saliency of covariates¹



¹See Appendix B. for full covariates' names.

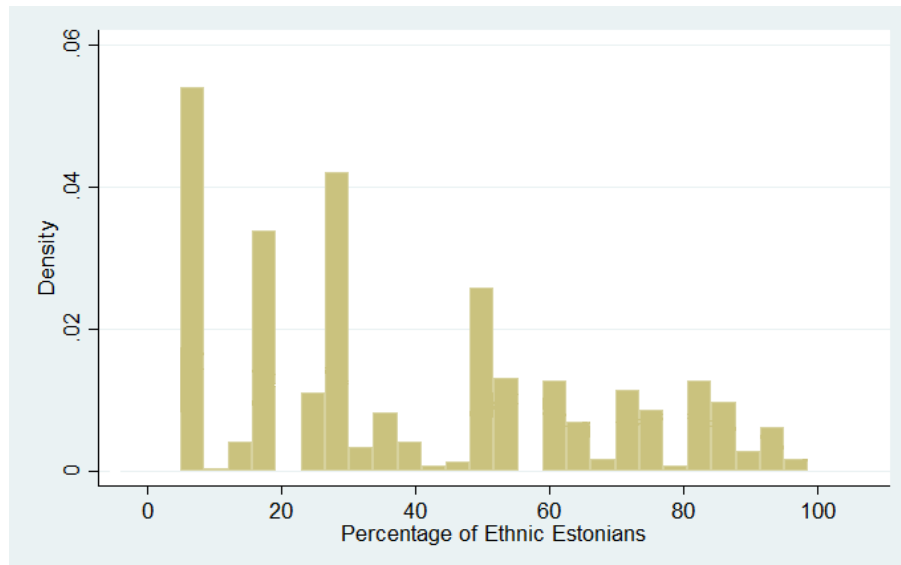
Illustration: Satisfaction with democracy

VARIABLES	(1) Round 2	(2) Round 3	(3) Round 4	(4) Round 5	(5) Round 6	(6) Round 7
Language (0-EST, 1-RUS)	-0.184 (0.202)	-0.793*** (0.208)	-0.849*** (0.231)	-0.621** (0.267)	-1.084*** (0.181)	-1.075*** (0.177)
Citizen of country	0.223 (0.233)	0.537** (0.235)	0.203 (0.284)	0.471 (0.300)	0.682*** (0.209)	0.479** (0.194)
Born in country	-0.427** (0.189)	-0.386* (0.222)	-0.432* (0.256)	-0.067 (0.231)	-0.474** (0.190)	-0.487*** (0.182)
Diff. in formative years	0.027*** (0.006)	0.014* (0.007)	0.012* (0.007)	0.001 (0.006)	0.018*** (0.005)	0.021*** (0.006)
Years of full-time education	-0.013 (0.016)	0.014 (0.021)	0.028 (0.020)	0.027 (0.017)	0.023 (0.015)	0.069*** (0.016)
Household's total net income	0.708*** (0.081)	0.358*** (0.099)	0.079*** (0.024)	0.116*** (0.022)	0.050*** (0.017)	0.372*** (0.078)
Placement on left right scale	0.270*** (0.033)	0.283*** (0.039)	0.252*** (0.036)	0.238*** (0.033)	0.317*** (0.027)	0.259*** (0.031)
Share of Russians	-0.645* (0.329)	-0.235 (0.400)	-0.334 (0.401)	-0.425 (0.357)	0.376 (0.293)	0.555* (0.326)
Constant	2.012*** (0.386)	2.526*** (0.456)	3.041*** (0.408)	2.764*** (0.431)	2.760*** (0.327)	1.860*** (0.377)
Observations	1,411	1,053	1,200	1,461	1,885	1,669
R-squared	0.170	0.170	0.117	0.127	0.190	0.191

Robust standard errors in parentheses

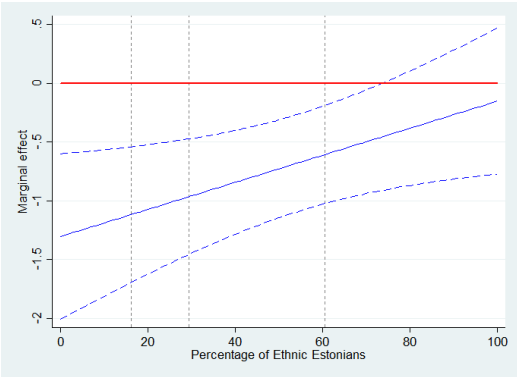
*** p<0.01, ** p<0.05, * p<0.1

D. Distribution of Russian-speaking population

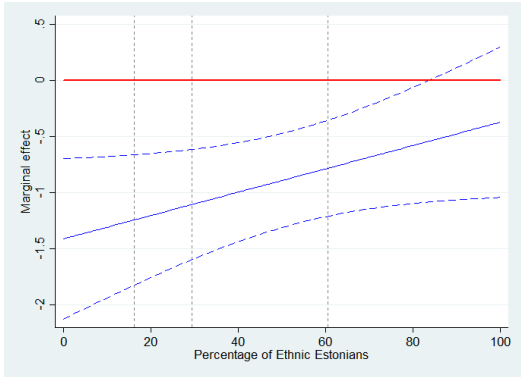


Quartile	First	Second	Third
Percentage of Ethnic Estonians	16.1	29.4	60.5

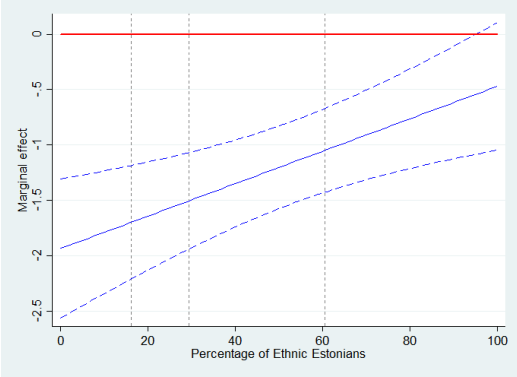
E. Full marginal effects of ethnicity²



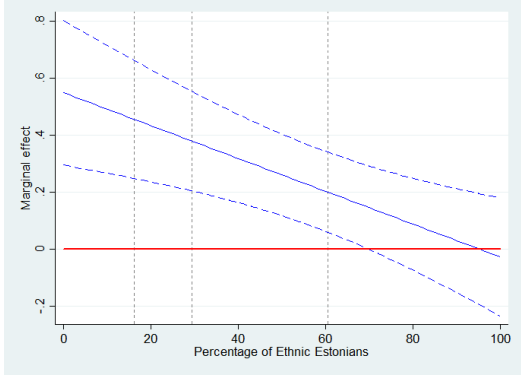
Trust in parliament



Trust in the legal system

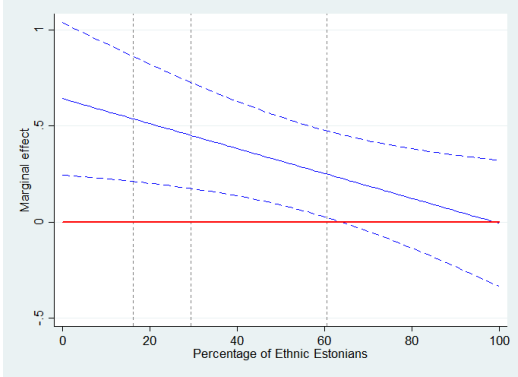


Satisfaction with the democracy in the country

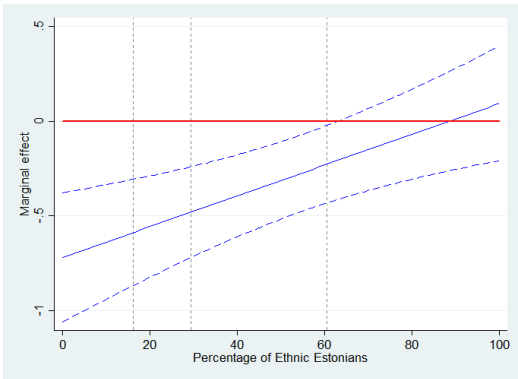


Government should reduce differences in income levels

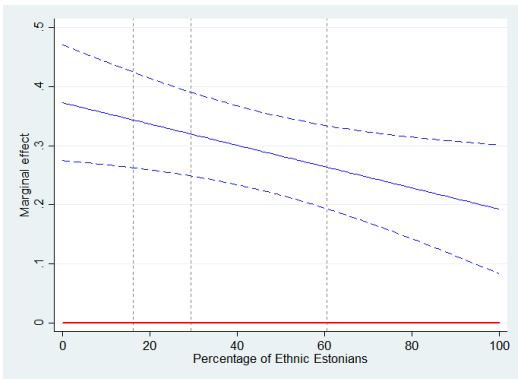
²Inclusive of the interaction between ethnicity and the share of ethnic Estonians in the municipality.



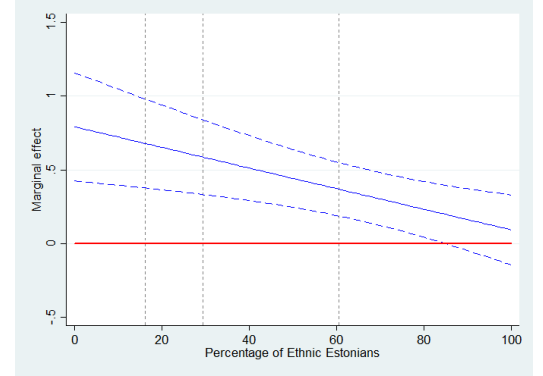
Important to do what is told and follow rules



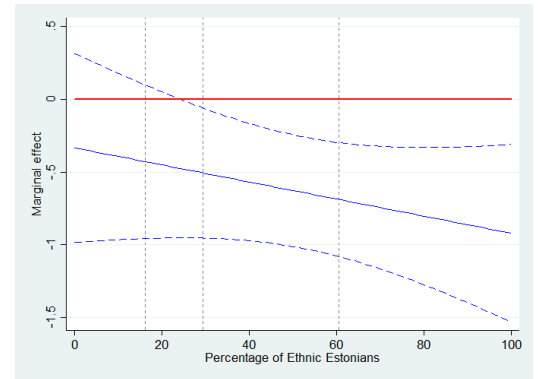
Tolerance for sexual minorities



Member of a group discriminated against in Estonia



Important that government is strong and ensures safety



Satisfaction with life as a whole