

License to Ride:

Free Public Transportation for Residents of Tallinn

Derek Galey, JD/MUP
Harvard University

The City of Tallinn, capital of Estonia, with a population of 420,000, recently became the world's largest municipality offering free public transportation. Tourists still have to pay to ride the city's bus, trolley, and tram network, but registered residents—including a large population of Russian-speaking non-citizens—only have to tap their municipal transit cards once onboard.

Tallinn's leadership has justified the policy on environmental and social grounds—namely, reducing carbon dioxide emissions and providing equal rights to freedom of movement. Although only 26% of trips in Tallinn utilize private cars, private transportation accounts for 60% of the city's carbon dioxide emissions. Public transportation, which provides 40% of trips in Tallinn, accounts for only 6-7% of the city's total emissions. On an annual municipal public transport satisfaction survey from 2010, 49% of the respondents were most unsatisfied with fares, followed by crowding (29%) and frequency (21%). (Cats, Susilo, and Eliasson 2012, 3-4) The city's government responded by calling a March 2012 referendum, in which 75% of voters supported free public transportation.

In contrast with past experiences with free public transportation in other cities, preliminary results indicate a “relatively small increase in passenger demand” of only 3% citywide in the three-month period after implementation (Cats, Susilo, and Reimal 2014, 5). Notably, however, passenger counts increased 10% in Lasnamäe, a populous and dense housing district with a price-sensitive population and many Russian-speaking residents.

Since the policy took effect January 1, 2013, assisted by the *Registreeru Tallinlaseks* campaign, the city has registered over 10,000 additional residents, more than triple the previous year. Estonia's tax system compensates Tallinn for the funding shortfall with additional income tax transfer payments. Local autonomy provisions of the Estonian Constitution protect the fiscal arrangement from the opposition to free public transportation by the National Estonian Government.

The elimination of fares for municipal residents was the central issue of the 2013 mayoral campaign, rewarding Mayor Edgar Savisaar's incumbent Centre party with two additional

council seats. Understanding the complex political impetus behind the free public transportation scheme requires examination of the divergent compositions of the polities of the City of Tallinn and the Republic of Estonia.

At Estonia's independence from the Soviet Union, Russians—constituting half of Estonia's population—were denied national citizenship based on the legal principles of historical continuity and *jus sanguinis* (Smith 2003; Yiftachel 2006). Asserting several decades of Soviet rule as an illegal occupation, the doctrine of historical continuity justified the automatic reinstatement of the laws of the Estonian Republic. Because millions of forced and voluntary migrants could not trace their lineage to the Republic, and had not been legally assimilated, the Estonian state justified the imposition of strict “repatriation tests,” including Estonian language requirements and residency restrictions (Smith 2003). Post-Soviet privatization and Estonian austerity policies have resulted in economic inequality and geographic segregation (Ruoppila and Kährik 2003). After the Estonian Republic intervened in Tallinn to remove a Soviet-era statue, citywide rioting ensued (BBC News 2007).

All residents of the City of Tallinn, including noncitizens, have been eligible to vote in municipal elections since Tallinn's membership in the medieval Hanseatic League and adoption of Lübeck Law. As a result, Russian-speakers wield municipal political power as a core Centre Party constituency. In Tallinn, the question of free public transportation implicates the right of access to the center of political and social life—the configuration of local autonomy. Free public transportation at once challenges the privatization inherent in motorization and the maintenance of an ethnic democracy.

Context informs the manner of implementation and frames the political signification. In Sweden, the Planka activist group engages in civilly disobedient fare-dodging (with a shared pot to pay the fines) to promote free public transportation. By way of contrast, free public transportation was hardly a grassroots demand in Tallinn, where the referendum on making public transportation free came as a surprise to residents, with correspondingly low turnout.

Urban policies are “qualitatively transformed” through networks of policy transfer, requiring an interrogation of contextually specific political configurations (Brenner, Peck and Theodore 2010). A “copy-and-paste” approach to free public transportation neglects important questions: How many and what kind of additional riders to expect? How is it paid for? Who will support/benefit from the policy? What kind of good is public transportation? Who gets to decide?

This article presents a qualitative account of the world's largest free public transportation experiment to date. The results challenge and inform the conventional measures and objectives of transportation experts. The analysis is meant to complement the existing literature surveying free public transportation experiments and evaluating transportation pricing schemes.

The following section of this article reviews lessons learned from a sampling of fare-free experiments attempted around the world, discusses rationales offered for imposing a fare obligation on public transportation passengers, and considers the nature of public transportation as a good by comparing market mechanisms with democratic values. The next section discusses the political context for, and the social meaning of, the implementation of

free public transportation in Tallinn. The account reveals the important role of local autonomy in constituting the relationship between the City of Tallinn and the Government of the Estonian Republic. The article concludes by suggesting legal reform to promote inter-urban cooperation, rather than competition, in the provision of public transportation services.

Free Public Transit and the Use of Fares

A variety of experiences with free public transportation in smaller cities has preceded Tallinn's adoption. Free networks range in service area; some eliminate the farebox altogether while others target specific populations for free passes. In each case, rider demographics have responded to the elimination of fares, while ridership counts have "always increased significantly" (Volinski 2012, 48). Past experiences reveal the importance of a broader public transportation agenda, including investment in and promotion of the system. Not only must municipalities prepare for increased ridership, they can multiply the impact by simultaneously improving transit service, re-dedicating road space, and supporting pedestrians.

Fare-free service is most common in small cities, especially those with a strong institutional presence. Commerce, California has the oldest free transit system. It has been operating since 1962 with only eleven buses and a limited service area. Other cities and regions that have experimented with free transit include Amherst, Massachusetts (Perone 2002); Austin, Texas (Volinski 2012); Hasselt, Belgium (Cats et al. 2012); the Aubagne region of France (Cats et al. 2012); London; and universities served by Flemish operators in Belgium (Cats et al. 2012).

Providing free public transportation eliminates a barrier to mobility and broader participation of otherwise priced-out transit riders. In the case of Aubagne, the barrier's elimination resulted in a more "convivial" experience for 80% of surveyed riders (Pays d'Aubagne 2010). In Austin's case, it granted a deeply marginalized population access to the center. This experiment was discontinued after reports of problem riders and graffiti (Perone 2002). The discomfort with which this confrontation was received reveals the degree of alienation sown by a constellation of exclusionary practices. Analysis of the local government framework in which Tallinn is embedded reveals the reasons for the limitation of free public transportation to Tallinn's residents, and its implications for civic responsibility.

Fares play four roles in public transportation. First, they are a form of demand management, preventing marginal trips. Fares can prevent overcrowding given a fixed system capacity (Volinski 2012; Shpanier, Mazar, and Ariely 2007). Second, fares raise funds for transportation providers. Whether considered a "user fee" or a regressive tax, fares can raise revenue for the provision of public services. Third, fares may exclude the sort of "problem riders" observed during the Austin experiment. Finally, fares can function within an integrated scheme to reorganize travel behavior through price barriers (Cats et al. 2014; Volinski 2012).

The elimination of fares places transit in the same category of services as schools, libraries, community parks, and even elevators. In some cases, public transportation has been advanced as a right, for which the collection of a fare would be inappropriate.

Nevertheless, the hegemonic approach to public transportation management applies market principles. The proposal “to sell off the [New York City] subway system line by line over a period of about five years” is one example (Ramsey 1987, 99).

This type of approach has been applied to an expanding range of goods, services, and (previously held-in-common) resources, at least since the violent enclosure movement in England (Perelman 2000). Although the use of force and state police power necessarily accompanied early acts of displacement, the situation persists by continuously reconstructing *homo economics*—fragmented individuals, excluded from common access to resources, normalized to market and competitive interaction (de Angelis 2004). Such normalization is evident in Chicago Mayor Rahm Emmanuel’s political gaffe, when he declared that those unhappy with public transportation fare hikes could simply “make that choice” to drive instead (Byrne 2012).

This is a line of thinking consistent with the regulation of a good by exit rather than voice. And the fare hike represents an exclusionary approach to provisioning the good. Ramsey (1987) and Emmanuel’s (Byrne 2012) perspective reflects an understanding of public transportation as a market, rather than political, good.

This mindset explains the conventional use of the farebox recovery rate, or the portion of total system costs shouldered by riders, as a public transportation cost-effectiveness metric, rather than the average cost per rider, as suggested by some experts (Hodge, Orrell, and Strauss 1994). By the latter measure, Austin’s experiment was highly successful, with the average cost per rider declining from \$2.51 to \$1.51 (Perone 2002). It also informs the value placed by transportation experts on “choice riders”—those who would have otherwise driven a private vehicle for the trip in question (Perone 2002). According to reports issued by KTH Royal Institute in Stockholm, commissioned by Tallinn to evaluate the proposal, converting drivers is “the most desired effect” (Cats et al. 2012, 4).

How to think about enhanced mobility for budget-conscious or low-income riders turns on whether public transportation is conceived as a business venture or a political good, a commodity or a commons. Elizabeth Anderson declares that political goods must be (1) regulated by voice rather than exit (2) distributed in accordance with public principles rather than unexamined wants, and (3) provided on a non-exclusive basis. She elaborates, “Everyone, not just those who pay, has access to them” (Anderson 1995, 159).

To provision such goods through market mechanisms is to undermine principles of fraternity and democratic freedom. There is an ethical cost associated with putting a price on something (Sandel 2012). There is also “a psychological cost associated with the farebox” specific to the confusion and inconvenience of fare collection and verification (Volinski 2012, 13).

Many transit users do not have the choice to drive instead. For them, exiting the market means not visiting a friend or fully participating in city life, suggesting a restraint on their freedom of association. According to Anderson’s analysis, depriving low-income individuals of mobility through the farebox undermines the common cooperative project of self-government. And yet, the attempt to foster fraternal relations can backfire when many such deprivations have already fragmented the population beyond mutual comprehensibility, as

in the case of Austin. These values transcend the narrow expertise of transport economists. No wonder that the “the most frequent initiators of fare-free public transit service have been the elected city or county council” (Volinski 2012, 24).

An Account of Tallinn

Tallinn’s transportation system received a major shock at independence from the Soviet Union in 1991, with increased motorization, sprawling development patterns, and funding constraints resulting in congestion and segregation. A rail link to St. Petersburg, completed in 1870, assisted Tallinn’s development from a “small, provincial town” into “an industrial centre” (Raid 2011, 13). Tallinn’s tram system was inaugurated in 1888, during the period of trade-oriented industrialization. The tram system has since survived eight political regimes (Varemaa 1998). Last expanded under Soviet supervision in 1955, the system has lately benefitted from renewed investment, though buses continue to dominate the city’s public transportation system. In response to concerns that the private bus monopoly OÜ Mootor was not serving unprofitable but socially important routes, Tallinn city government began providing municipal bus service in 1937 (Nerman 2007).

Only with independence from the Soviet Union has private vehicle use come to dominate the space of the city. In the last two decades, the country’s motorization rate has more than doubled, to 425 cars per 1,000 residents in 2012 (Cats et al. 2012). Experts attribute the problematic increases in motorization to a post-Soviet mentality in which cars function as a status symbol. “Comparatively luxuriant” with respect to the boxy Soviet-produced cars, Peugeot, Toyota, and Volkswagen have been the top-selling models (Haas 2006).

Situated on a narrow isthmus between the Baltic Sea and Lake Ülemiste, Tallinn faces significant physical constraints that limit the expansion of road capacity through the use of multilane roads (Aas 2013). Since the mid 1990s, Tallinn has experienced 2 km/h decrease in peak hour traffic speeds annually (Harjo 2013).

During the same period, the share of trips taken by public transportation has decreased dramatically. However, transit retains a favorable mode split of 40%, followed by walking (30%), and private car (26%) (Cats et al. 2014). The city’s 2009 development plan emphasizes the importance of public transportation to improving the availability of urban space and slowing the growth of vehicles. This analysis has led to a prioritization of public transportation by top city officials (Harjo 2013).

The introduction of free public transportation follows a series of reforms to make the capital city less car-oriented. In 2005, the city unveiled a new terminal for city (not regional) buses. The Department of Transportation has been developing a “network of public transportation priority corridors” (Harjo 2013). Seventeen km of bus-only lanes have been introduced, including 8 km in 2012 alone. Additionally, traffic signals have been reprogrammed at thirty intersections to prioritize bus travel speeds, and real-time bus arrival information has been made available online and on displays at stations. Symbolically, Freedom Square, in the heart of the city, which formerly served as a parking lot, has been reclaimed as a pedestrian plaza.

Expert Ambivalence

However, the elimination of transit fares for city residents diverges from the path conceived by transportation experts. Four aspects of Tallinn's public transportation scheme are discordant with conventional transportation wisdom. First of all, from the expert perspective, free public transportation is more directly associated with enhanced mobility than with the improvement of traffic flow. As discussed above, transportation planning has conventionally seen the latter as its mandate. Together, the extent of preexisting subsidy in the system (67%) already targeting price-sensitive riders, the size of the system, and ridership trends showing consistent decline from Soviet-era highs made Tallinn a poor candidate for congestion reduction through free transportation.

Second, free public transportation had the effect of encouraging shorter trips. Gauging preliminary data, Tallinn's free public transportation program appears to have reduced average trip lengths by 10%, suggesting the substitution of public transportation for walking trips (Cats et al. 2014). Shorter trips tend to cause intermittent overcrowding, while, from the standpoint of efficient utilization of assets, planners would prefer consistent ridership levels along the entire length of a route (Harjo 2013).

Third, expert analyses of free public transportation cite cost savings attributed to the foregone expense of fare collection as a primary benefit. Tallinn's system, however, has no such advantage. Riders are still required to swipe a public transit smart card for each ride. Tallinn's residents are provided with "green cards" that enable free travel, while nonresident Estonians and tourists must still pay the fare. The preexistence of an EU Civitas grant for an upgraded fare collection system was offered as a partial explanation for the continued use of fareboxes despite the introduction of free public transportation (Development Plan 2008).

Fourth, the city's planners have come to recognize that public transportation is best understood as a regional service, while Tallinn's free public transportation program is limited to residents of the central city. The city's 2009 development plan encourages "developing a single ticket system for Tallinn and Harjumaa County" (encompassing the surrounding communities) and providing transportation infrastructure on the "principle of conurbation" (Development Plan 2008, 12, 22).

The policy's explanation lies beyond the confines of transport expertise. Without quantifiable impacts of modal shift, traffic congestion reduction, decreased emissions, or even widespread ridership increases, Tallinn's free public transportation program must be qualitatively evaluated on the basis of its political foundations.

Urban Politicization

Free public transportation in Tallinn was first suggested by the Social Democratic party in 2005 (Aas 2013). However, the seemingly sudden introduction of a public referendum on the relatively unknown subject, and the Centre Party's rapid implementation of free public transportation ahead of municipal elections, no doubt reinforced the suspicions of a dubious public. In this sense, Tallinn's administration manifests the tendency for the "fear of politicization" to be dealt with through "an elitist and secretive approach" to local economic

initiatives (Eisenschitz and Gough 1996, 448).

A tide of public resentment has arisen in response to the policies discouraging car use, including drivers flouting bus lanes (though steep fines ultimately proved decisive). Many residents are skeptical of Mayor Edgar Savisaar, who has been a prominent and controversial political figure since playing a role in Estonia's independence from the Soviet Union. Opposition to the mayor is so strong in some circles that many residents oppose the administration's initiatives out of hand (Rikken 2012).

Savisaar's Centre Party is a populist centrist party whose base includes pensioners and Tallinn's large Russian-speaking population. Although many Russian-speakers are disenfranchised at the national level, all Tallinn residents are eligible to vote in municipal elections, including noncitizens (Mäeltsemees 2013). Centre Party politicians have been accused of patronage politics and graft. In the words of Centre Party parliamentarian Kadri Simson on the Estonian Public Broadcasting program *Foorum*, "the ideology of Centre Party is 'Centre Party'" (Simson 2012).

Deputy Mayor for Transportation Taavi Aas has declared the threefold intentions of the policy: promoting modal shift from private car to public transportation, increasing the mobility of unemployed and low-income groups, and increasing the tax base by registering additional residents. Additionally, Tallinn has focused many of its city planning efforts around an application for EU Green Capital status in 2018 (Aas 2013). Of course, successful reelection could not have been far from the responsible politicians' minds.

A comparative analysis conducted by local scholars suggested a relatively high degree of politicization resulting from Tallinn's urban governance structure. Voters in Tallinn elect a large city council, which in turn appoints members of the city government. The city's administration is then directly managed by the Mayor and several Deputy Mayors, resulting in a "symbiosis of collective political management characteristic of the Nordic countries and apolitical administrative management exercised by Estonia's southern neighbors" (Lõhmus and Tõnisson 2006, 72). The city administration is highly subject to the management of council appointees (Lõhmus and Tõnisson 2006). To this arrangement Mikk Lõhmus and Illar Tõnisson attribute a high degree of political sensitivity alongside the potential for instability. Tallinn's city government is driven to initiate populist experimentation, such as the free public transportation program, to shore up voter support.

National Government Opposition

Ambitious transportation initiatives have repeatedly been prevented by opposition from the Estonian central government. With respect to the marginalized population in Lasnamäe, the city has long sought to expand the tram network in their direction (Harjo 2013). While a capital project of this scale requires national assistance, the Estonian Republic is more interested in the expansion of roads. The national government also refused to allow the City of Tallinn to implement congestion pricing and repealed a previously authorized municipal sales tax after the Tallinn City Council decided to make use of the provision to increase transportation funding (Harjo 2013).

In 2011, Estonia sold 45 million euros' worth of carbon credits to Spain, using the income to buy fifteen trams for Tallinn (Teesalu2012). Before implementation, Minister of Economic Affairs Juhan Parts (former Prime Minister of the far-right party, Union of Pro Patria and Res Publica) threatened to attach strings to the city's receipt of money from the sale of carbon credits "so that [Tallinn] would invest more into improving public transportation and focus less on offering free rides to local residents" (Teesalu 2012). Former Reform Party Prime Minister Andres Ansnip called for an end to free public transportation in Tallinn soon after its introduction (Commons 2013).

Estonia has been offered as a model by advocates of austerity (Greeley 2012). Estonia began a privatization program in 1991, virtually eliminating Tallinn's vast public housing supply in favor of privatized debt financing and urban tenements. The proportion of families in extreme poverty (income per household member below minimum wage) tripled from 1994 to 1999 (Ruoppila and Kährik 2003). Estonia's laissez-faire Reform Party has since managed to cut the rate on the country's flat income tax while abolishing corporate taxation altogether. Suffice it to say that Estonian leaders need not be cajoled into market-oriented restructuring.

Labeled as an "ethnic democracy," the notion of homeland inflects Estonian national politics. Social policies in the era of Soviet empire produced Russian migration into Estonia (Yiftachel 2006). According to David Smith (2003, 8), "the ability to initiate radical economic 'shock therapy' during the early 1990s rested partly upon the political marginalization of the Russian-speaking settler population." Although as many as 70,000 Russian-speakers have left Tallinn alone, many more remain disenfranchised in Estonia. The privileging of Estonian as the language of the public sphere has been understood as a process of "Estonianization" (Ruoppila and Kährik2003). By 1999, Russians were concentrated in the two peripheral high-rise housing-estate districts while detached housing was homogenously Estonian (Greeley 2012).

Since achieving independence from the Soviet Union, cultural tensions have several times arisen over culturally divergent interpretations of historical events. One contentious space existed at Tõnismägi, a public square in Tallinn, which contained a Soviet-era monument commemorating a Nazi defeat. Owing to the ethnic sensitivity of the issue, Tallinn had established a representative commission to determine the fate of one of the city's prominent public places (Aas 2013).

Nevertheless, the *Riigikogu* (Estonian parliament) passed the War Graves Protection Act, granting jurisdiction over war graves to the Estonian Ministry of Defense and authorizing reburial. Defense Minister JürgenLigi appointed Eerik-NiilesKross (both of the Union of Pro Patria and Res Publica) to the Estonian government's War Graves Commission, which proceeded to recommend removal.

The ensuing riots "caused city officials to launch a range of appeasing statements and policies" (Yiftachel 2009, 95); the free public transportation policy may be understood as consistent with such policies. With the assistance of geographic concentration and a favorable municipal legal structure, the Russian-speaking population has developed substantial influence in Tallinn. Their "rights-based politics" have demanded the "integration of non-citizens into the polity" (Yiftachel 2006, 32).

The city's large Russian-speaking population relies disproportionately on public transportation. Thus, the elimination of fares had the substantive effect of improving Russian integration and access to the center. This political context explains the outlier result from the KTH analysis: "The highest increase of more than 10% occurred in the north-eastern district of Lasnamäe which is the most populous and dense district and characterized by higher unemployment rates and a predominantly Russian speaking population" (Cats et al. 2014, 7).

Eerik-Niiles Kross, formerly of the War Graves commission, ran as a 2013 mayoral candidate against Edgar Savisaar. At the final debate of the campaign, he said that so-called free transport was not actually free but a cost ultimately passed on to taxpayers. The Reform Party candidate, Valdo Randpere, criticized the program for its failure to significantly boost transit ridership or reduce congestion. Despite these highly public criticisms, in an election widely viewed as a referendum on free public transportation, the Centre party amassed 52.65 percent of the votes in Tallinn, increasing its outright majority in the city council.

Savisaar used the opportunity afforded by the final mayoral debate to criticize the Estonian government, suggesting problems with a deal in which Tallinn pays a state-owned light rail company to allow passengers to ride for free within city limits. The City of Tallinn and Elron, the nationally owned train company, agreed immediately after the election to waive train tickets for trips within Tallinn for city residents.

Now that the policy's adoption has proven popular, former Defense Minister and current Minister of Finance Jürgen Ligi was quoted by Estonia's oldest daily newspaper, the *Postimees*, admitting that "free public transport has been surprisingly successful . . . maybe it's even prudent" (2013). The city's power to initiate the free transportation program despite national objections provided the narrow space in which public opinion could be marshaled to promote a counter-hegemonic regulatory experiment.

The Role of Local Autonomy

In the hundreds of years since Tallinn's Danish establishment, the city has been subject to a succession of sovereigns, squeezed between imperialist ambitions. Given this tumultuous history, the degree of legal continuity maintained by Tallinn resulted in part from the city's continuing struggle to maintain independence and reassert Lübeck rights. The storied struggle between Toompea, the site of the old Rävian fort and continuing seat of sovereign power, and the Lower Town of Tallinn is evident, for example, in a 1310 order issued by the Danish King Erik VI Menved, sending a special envoy to oversee "with great precision" the defenses to be built between the two (Kala 1998, 27).

The structure of the Lübeck charter provided extensive local autonomy, giving rise to a political realm of the city that has frequently contested central authority (Kala 1998). Three observations about Lübeck Law inform Tallinn's contemporary political situation. First of all, Tallinn exercised a great deal of control over all spheres of city life. In addition to extensive regulation of commercial activity, Tallinn was given power over matters that modern jurists consider to be outside the sphere of local autonomy. Tort law, defense, and foreign relations, for example, were all entrusted to city governments (Kala 1998).

Secondly, the *rat* (city council) was neither feudal nor democratic as the term is understood today. As the culmination of the city's merchant guilds—in which membership was compulsory for aspiring tradesman—the *rat* was a hierarchical and ostensibly meritocratic institution (Kala 1998).

Third, Lübeck Law understood the public-private distinction in a manner quite unlike modern legal systems. Above and beyond the above-mentioned intricacy of economic regulation, Lübeck Law generally confined the private sphere to the hereditary estate, or *erve*, understood as a tangible space.

Although the sphere of local autonomy has been considerably circumscribed alongside the rise of liberal democratic nation-states (Frug 1999), the City of Tallinn continues to use available tools to advance its institutional empowerment. The European Charter of Local Self-Government enshrines the values of democracy, autonomy, and subsidiarity. As opposed to the principle of *ultra vires* that predominates in Great Britain and under the United States Constitution, the European Charter grants general competence to local governments.

A base level of fiscal autonomy is guaranteed to Tallinn by the Estonian Constitution, interpreted by Estonia's Supreme Court to incorporate substantially the European Charter Article 9 protections for independent municipal budgets (Judgment of the Supreme Court of Estonia en Banc 3-4-1-8-09, 16 March 2010, Petition of the Tallinn City Council of 2 April 2009). As articulated in § 154 of the Estonian Constitution, "All local issues shall be resolved and managed by local governments, which shall operate independently pursuant to law." Estonia provides for municipal remuneration predominantly through the flat national income tax, of which a fixed portion accrues to cities. The availability of deductions results in the wealthy paying a lower percentage of their income (Mäeltsemees and Lõhmus 2008).

Due to this fiscal structure, Tallinn receives a direct financial benefit from attracting new residents. The free public transportation program in Tallinn was introduced along with a well-publicized citizen registration campaign, *Registreeru Tallinlaseks*, contributing to the perception of politicization discussed above. The slogan, plastered on the sides of buses, prompted backlash against perceived corruption and pandering to voters. In the advertisement, residents are shown using their municipally issued "green cards" to access the free transit system. Estonians do not miss the obvious chromatic allusion to Tallinn's entrenched Centre Party.

Tallinn has more than paid for lost fares by attracting over 10,000 new residential registrants since the program's debut. The city has found itself with a budget surplus, of which a substantial portion will be used to expand public transportation. While the free transport is now funded by a regressive income tax, it is less regressive than the use of fares, which tax disproportionately poor riders and exclude the even poorer infrequent or non-riders.

This accounting imperative largely explains the limitation of free public transportation to city residents despite the benefits that could accrue from cooperation (Aas 2013). Despite the concentration of wealth in the "Golden Circle" of municipalities surrounding Tallinn, the suburban areas have been reluctant to cooperate with Tallinn in public transportation finance (Mäeltsemees and Lõhmus 2008). Even limiting free public transportation to residents, Tallinn continues to subsidize the regional travel of nonresidents. As long as "legal

obstacles hinder cooperation between [Estonian] towns and cities [in] the organization of public transportation” (Mäeltsemees and Lõhmus 2008, 131), Estonian local government law will enable Tallinn to forgo farebox exclusion only through its replacement with exclusion along jurisdictional lines.

Interurban Competition in the European Union

David Harvey ascribes to the Hanseatic League the unenviable status of having initiated (with the Italian City-States) “civic boosterism and urban entrepreneurialism” (1989, 15). Harvey argues that the recent resurgence of interurban competition has brought urban governance more in line with “the naked requirements of capital accumulation.” (15) The grant of autonomy over only *local* issues and the hollow practice of subsidiarity at the very least reveal the absence of any authentic urban politics capable of participating in the central questions of self-government.

At independence, fears of “ostracism by the West” and a backlash of the Russian population prompted the 1991 drafting of an inclusive law on citizenship by the party led at the time by Edgar Savisaar (Smith 2003, 13). When these fears failed to materialize, amidst Europe’s greater concerns with economic growth, a more restrictive citizenship law passed in February 1992. In the hands of an internal, right-wing “legal restorationism” movement, the principle of historical continuity provided cover for Estonia to disenfranchise a large portion of the Russian-speaking population, while also ensuring the continuity of the historically evolved legal structure that predated the Soviet regime.

The obligation of a city to provide for all of its residents was among these well-established legal norms, traceable through Lübeck Law, Baltic Private Law, and the 1920 Constitution of the Estonian Republic, now enshrined in § 156 of the Estonian Constitution. Thus, the adherence to the notion of legal continuity simultaneously disenfranchised many Russian-speakers at the Estonian national level and ensured their inclusion in Tallinn’s self-government. Tallinn continues to be constituted as a contradictory political space, servant of sovereign and citizen.

European Union policies of “immigrant multiculturalism” curtailed Estonian ethnic territorialization through Russian Cultural Councils and protections for local autonomy. However, the insistence of European Union leaders on a project of integration within the frameworks of “immigrant multiculturalism” and “local self-government” is contradictory in the sense that “the western ‘project’ towards the post-socialist East. . . is founded on the contention that the only viable course open to the former communist countries is to adopt the political values and economic system of the West” (Smith 2003, 3). Although the Estonians are expected to adopt a legal framework that grants the Russian-speaking minority a right to the center, the European Union decision-making structure castigated the Eastern European region and associated values to the periphery. The European regulatory apparatus was limited to narrow political rights violations in Eastern Europe because of member states’ concern that a more far-reaching positive rights policy would destabilize their own societies (Smith 2003).

Indeed, the neoliberalism of the post-Maastricht European Union is inconsistent with ethno-

cratic state territorial regulation. In the words of the European Commission's 2002 Progress Report on Estonia, "in order to have equal access to the Estonian labour market, it is essential for Russian-speakers to have a good command of the Estonian language. It is therefore important to ensure that Estonia has a sufficient number of qualified bilingual teachers in schools" (33). To the extent that linguistic hegemony obstructs the supply of labor or threatens to disrupt ethnopolitical stability, the European Union has taken steps to establish a normalized market predicated on wage relations and private property.

Just as European law protects the freedom of Russians to sell their labor in Estonia, it has allowed Estonian and Latvian workers to work for Finnish or Swedish companies despite collective bargaining agreements negotiated by trade unions. The *International Transport Workers' Federation v. Viking Line ABP and Laval un Partneri Ltd v. Svenska Byggnadsarbetareförbundet* decisions have been characterized as "explicit attacks against collective labor with the undisputed outcome of creating a race to the bottom in worker standards across the European Union" (Nicola 2012, 1343). For subjects of the European Union, the right to relocate for an employer trumps the right to organize for better employment.

The concepts of EU free movement and the right to mobility implemented in Tallinn have markedly distinct impacts on migration and transportation. While free public transportation provides the resources for residents to move where they like, EU free movement coerces workers—whose labor is devalored by the extended labor market—to uproot in service of the spatial logic of capital accumulation.

However, the two concepts play a fundamentally consistent role in securing the social conditions for the accumulation of capital. The EU project of neoliberal empire "constructs the city as a strategic node in a network designed to maximize capital accumulation" (Purcell 2008, 105). State privatization of urban space produces individuals normalized to market forces, limits the political power of residents, and ordains the balancing of rights in favor of exclusion. Viewed through the lens of EU free movement and global neoliberal rule regimes, the right to mobility in Tallinn merely expands the catchment area of shopping malls.

Conclusion

The distinctive political considerations at play in Tallinn's introduction of free public transportation emphasize that the fare question must be explored anew in each political context—not as abstract analysis, divorced from reality. Tallinn's free public transportation initiative diverges from the path conceived by transportation experts, trained to improve traffic flow. The project was motivated instead by political considerations.

The city's legal continuity informs the relations between municipality and sovereign, the structure of urban society, and the scope of private activity. Regime change has also determined migration flows, resulting in the parallel national disenfranchisement and municipal empowerment of Estonia's Russian-speaking population.

Tallinn's pursuit of free public transportation is enabled by constitutional protections for local government fiscal capacity. The specific elaboration of local government law applicable to Tallinn operates to promote political sensitivity and the public provision of goods

important to city residents. In this sense, the municipality fulfills its fiduciary duty to support the freedom of association of all residents. But this is nevertheless undertaken in the spirit of interurban competition, as epitomized by the limitation of free public transportation to residents of Tallinn. Supranational institutions typified by the EU free movement policy and “Maastricht criteria” promote broader neoliberalism that profoundly constrains Tallinn’s capacity and exacerbates exclusion.

The interplay can be seen in Tallinn’s economic concentration in Internet services. Although incubated in Tallinn and a source of Estonian pride, Skype was sold to Microsoft for \$8.5 billion in 2011. The corporate headquarters was subsequently relocated to Luxembourg to take advantage of low tax rates. And Microsoft’s shareholders, the beneficiaries of Tallinn’s investment in the social conditions for entrepreneurial development, are yet more far flung.

Constituted differently, the city’s autonomy could be harnessed to promote interurban cooperation, rather than competition. Sulev Mäeltsemees advances a mandatory collaboration model for public transport and other city services, modeled on Helsinki (Mäeltsemees and Lõhmus 2008). He exalts Harju County’s (surrounding Tallinn) Public Transport Centre, formed as a “collaborative institutional format” and suggests a revision in Estonian law. But the role of the Association of Estonian Cities’ Brussels office, founded in 2005 to promote the interests of Estonian local self-government units in EU policy, should not be discounted (Mäeltsemees 2012). In the marginal role of outside lobbyist, Tallinn has little capacity to participate in shaping the larger rule regime that enframes local capacity, although this is what local autonomy demands.

“Linnaõhk teeb vabaks,” goes the popular Estonian expression, referring to the feudal-era compromise in which serfs who escaped to the city, if not captured by their lord within a year and a day, were free to remain. “City air makes you free.”

For now, at least the buses are free. ■

REFERENCES

Aas, Taavi. Personal Communication. January 20, 2013.

Anderson, Elizabeth. 1995. *Value in Ethics and Economics*. Cambridge, MA: Harvard University Press.

BBC News. 2007. “Tallinn Tense After Deadly Riots.” BBC News, April 28.

Brenner, Neil, Jamie Peck, and Nik Theodore. 2010. “After Neoliberalization?” *Globalizations* 7 (3): 313-30.

Byrne, John. 2012. “Emanuel on CTA Increases: Not Fare Hikes, Chicagoans Can Choose to Drive.” *Chicago Tribune*, November 26.

Cats, Oded, Yusak Susilo, and Jonas Eliasson. 2012. “Impacts of Free PT, Tallinn – Evaluation Framework.” Department of Transport Science in the Royal Institute of Technology (KTH), Sweden. (October). <http://www.tallinn.ee/eng/tasutahistransport/g9616s62872>

Cats, Oded, Yusak Susilo, and Triin Reimal. 2014. “Public Transport Pricing Policy—Empirical Evidence

from a Fare-Free Scheme in Tallinn, Estonia.” Department of Transport Science in the Royal Institute of Technology (KTH), Sweden. Washington, D.C.: Transportation Research Board.

Commons, Sarah. 2013. «Estonian Prime Minister Calls for an End to Free Public Transport in Tallinn.» *Baltic Review*, May 3.

de Angelis, Massimo. 2004. “Separating the Doing and the Deed: Capital and the Continuous Character of Enclosures.” *Historical Materialism* 12 (2): 57-87.

Development Plan of Tallinn: 2009–2027. 2008. ANNEX to Tallinn City Council decision no. 129 from 19 June 2008.

Eisenschitz, Aram, and Jamie Gough. 1996. “The Contradictions of Neo-Keynesian Local Economic Strategy.” *Review of International Political Economy*, Vol. 3, No. 3 (Autumn), 434-458.

European Commission. 2002. *Progress Report Estonia* (Brussels: European Commission).

Frug, Gerald E. 1999. *City Making: Building Communities without Building Walls*. Princeton, NJ: Princeton University Press.

Greeley, Brendan. 2012. «Krugmenistan vs. Estonia.» *Global Economics*. Bloomberg Business week, July 20.

Haas, Vaike. 2006. “A Review of Urban Planning in Tallinn, Estonia: Post-Soviet Planning Initiatives in Historic and Cultural Context.” Thesis. School of Natural Resources and Environment, University of Michigan, Ann Arbor.

Harjo, Andres. Personal Communication. January 17, 2013.

Harvey, David. 1989. “From Managerialism to Entrepreneurialism: The Transformation of Urban Governance in Late Capitalism.” *Geografiska Annaler*, 71B (1): 3-18.

Hodge, D.C., Orrell III, J. D., & Strauss, T. R. 1994. *Fare-Free Policy: Costs, Impacts on Transit Service and Attainment of Transit System Goals*. Report Number WA-RD 277.1. Seattle, Washington State Department of Transportation.

Judgment of the Supreme Court of Estonia en Banc 3-4-1-8-09, 16 March 2010, Petition of the Tallinn City Council of 2 April 2009.

Kala, Tiina. 1998. *Lübeck Law and Tallinn*. Tallinn: Linnaarhiiv.

Lõhmus, Mikk, and Illar Tõnison. 2006. “Capital City Management in Estonia, Latvia and Lithuania After Restoring Their Independence.” *Halduskultuur* 7: 50-77.

Mäeltsemees, Sulev. Personal Communication. January 15, 2013.

Mäeltsemees, Sulev. 2012. “Local Government in Estonia.” In *Local Government in the Member States of the European Union: A Comparative Legal Perspective*, edited by Angel-Manuel Moreno, 157-83. Madrid: Instituto Nacional De Administración Pública.

Mäeltsemees, Sulev, and Mikk Lõhmus. 2008. “Revenue Base of Estonian Local Governments, Regional Disparities and Economic Problems in the Municipalities of the Capital City Area.” *Discussions on Estonian Economic Policy XVI*. Berlin; Tallinn: Berliner Wissenschafts-Verlag. 119 – 134.

-
- Nerman, Robert. 2007. *Autobussiliiklus Tallinnas*. Tallinn: Tallinna Raamatutrükikoda.
- Nicola, Fernanda. 2012. "Invisible Cities in Europe." 35 *Fordham International Law Journal* 1282; American University, WCL Research Paper No. 2012-27.
- Pays D'Aubagne Et De L'Etoile. 2010. "La Gratuite Des Transports."
- Perelman, Michael. 2000. *The Invention of Capitalism: Classical Political Economy and the Secret History of Primitive Accumulation*. Durham, NC: Duke University Press.
- Perone, Jennifer S. 2002. "Advantages and Disadvantages of Fare-Free Transit Policy." Tampa, FL: Center for Urban Transportation Research. (October).
- Postimees. 2013. "Minister of Finance Praises Tallinn's Free Public Transport." *AS Postimees*, January 31.
- Purcell, Mark Hamilton. 2008. *Recapturing Democracy: Neoliberalization and the Struggle for Alternative Urban Futures*. New York: Routledge.
- Raid, Tõnu. 2011. *Tallinn Ajaloolistel Linnaplaanidel : 1634-1989*. Tallinn: Grenader.
- Ramsey, James. 1987. "Selling the New York City Subway: Wild-Eyed Radicalism or the Only Feasible Solution." *Proceedings of the Academy of Political Science* 36 (3): 93-103.
- Rikken, Kristopher. 2012. "In the Case of Tallinn Car Restrictions, the End Justifies the Means." *ERR News*. Estonian Public Broadcasting, June 9.
- Ruoppila, Sampo, and AnneliKährik. 2003. "Socio-Economic Residential Differentiation in Post-Socialist Tallinn." *Journal of Housing and the Built Environment* 18 (1): 49-73.
- Sandel, Michael. 2012. *What Money Can't Buy: The Moral Limits of Markets*. New York: Farrar, Straus and Giroux.
- Shampanier, Kristina, Nina Mazar, and Dan Ariely. 2007. "Zero as a Special Price: The True Value of Free Products." *Marketing Science* 26 (6): 742-757.
- Smith, David J. 2003. "Minority Rights, Multiculturalism and EU Enlargement: The Case of Estonia." *Journal on Ethnopolitics and Minority Issues in Europe* 1: 1-39.
- Simson, Kadri. 2012. *Foorum* (Motion picture). Tallinn, Estonia: Estonian Public Broadcasting, May 23.
- Teesalu, Ingrid. 2012. "Ministry Considers Curbing Tallinn's Power Over Public Transit." *ERR News*. Estonian Public Broadcasting, April 18.
- Varemaa, Remeo. 1998. "Tallinnatramm: 110 aastat," *Rotulus*. Tallinn.
- Volinski, Joel. 2012. *Implementation and Outcomes of Fare-Free Transit Systems: A Synthesis of Transit Practice*, Washington, D.C.: Transportation Research Board.
- Yiftachel, Oren. 2006. "Re-engaging Planning Theory? Towards 'South-Eastern' Perspectives." *Planning Theory* 5 (3): 211-222.
- Yiftachel, Oren. 2009. "Theoretical Notes on 'Gray Cities:' The Coming of Urban Apartheid." *Planning Theory* 8(1): 87-99.