

Success and Failure in Estonia

I am writing this editorial in Estonia. The one who knows where Estonia lies on the map of Europe and can tell me the name of its capital city may raise his or her hand. Sorry, I am a teacher... And no, I am not on holiday... I am here as guest of the Estonian National Land Board (NLB). I am sitting in the same office where,



two and a half years ago, I first initiated a Phare project within the framework of the Estonian land reform process. That project lasted from September 1997 until February 1999. Its objective was to develop and pilot two Information Systems (IS) for real estate valuation and taxation purposes.

Sweet and Bitter

At the completion of piloting of both IS at the beginning of 1999 it was generally recognised that the two were a technological success.

Nevertheless, successful completion of a project does not necessarily mean successful operation in the long term. Now, more than a year after completion, I am here to confront myself with the question: Are both systems in operation as envisaged and have the initial goals been achieved? The answer has both a sweet and a bitter taste. The first system, which operates at the NLB (both at national and county level) and is designated the VTIS, is operationally satisfactory. The other system, built for operation in the majority of municipalities and designated MIS, has not found wide acceptance. Why is the one successful, while the other shows deficiencies in its operation?

Organisation and User Involvement

There are many reasons why implementation and continual use of an IS may fail. In my experience, this is first and foremost an organisational issue and a matter of user involvement. The VTIS user community consists of a small, clearly defined network of specialists. They are well aware of the benefits an automated system can bring to improve the quality of their products. This community was involved during every stage of the project, from the very beginning, in the design process and up until implementation. This involvement warranted close co-operation with the future users and resulted in the final operational success.

Top Down

The MIS, on the other hand, was developed much more from the top down, with minimal user involvement. The NLB, in co-operation with the National Tax Board, designed and developed the system. User involvement was limited to inquiries about available equipment, willingness to use the system, visits to a restricted number of municipalities and the involvement of eight percent of the municipalities during the piloting stage. The central offices of both NLB and the National Tax

Board have a weak communication link with municipalities. County offices, on the other hand, carry out legal tasks in co-operation with municipalities; their mutual contacts are therefore much more profound. The county offices, however, stayed mainly on the sidelines, resulting in communication mismatch and finally to wide non-acceptance.

Poor State

Looking out of the window of my office I see many houses in poor condition, cars originating from a diverse pallet of eras. Many people are wearing clothes belonging to some long-past fashion. No wonder! The average salary is 300 Euro per month. And this is even an increase of 30 per cent compared to 1997. The unemployment rate remains at 10 per cent. The good news is that inflation has been reduced from nearly 25 per cent in 1996 to 5 per cent at present and that interest rates have been halved in the same period, from 20 per cent in 1997 to 10 per cent now.

Demolishment of Entrepreneurial Spirit

Why - after nearly a decade of independence and democracy - has the economy here not reached the level initially envisaged? The answer is straightforward. A change of political system will never result in an abrupt improvement in an economy. Political systems are only able to affect - streamline - economic activities, for the good or the bad, by steering measures, usually in the form of taxes and subsidies. A political system itself can never function as the engine of an economy. On the contrary, it is at best simply a stimulator. The true engine consists of enterprising individuals who want to be entrepreneurs and who feel like entrepreneurs. However, half a century of centrally-planned economy has demolished in the hearts of at least two generations this initiative driving force. It will take at least another decade before the damage is sufficiently undone.

Pivoting Point ISPRS Congress

In the meantime, at Estonia National Land Board entrepreneurship is growing. One is studying the purchase of a camera system and the establishment of an aerial imagery centre to serve the Baltic region. These studies reveal that there are sufficient clients to justify the necessary investments. The imagery will form a main source for creating and/or maintaining the topographic base maps of scale 1:10,000 and 1:50,000. Forestry may benefit from the images for forest management purposes. The images may also form an invaluable source for infrastructure planners and developers. Here again success and failure may go hand in hand, depending upon organisational issues and user involvement.

For NLB managers, the ISPRS congress in Amsterdam, which they will attend, will be a pivoting point in this respect... Yes, Tallinn is the beautiful capital of Estonia.

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