

## **APPRECIATION FOR PROF. JANNO REILJAN**

Janno Reiljan graduated in economic cybernetics from the University of Tartu in 1975. As an economist, he greatly influenced the Estonian transformation process in economics and business administration. This is reflected by his scientific merits. His first contributions were made during the late Soviet period, when he introduced and developed quantitative methods and approaches for economic and business administration analysis. In his doctoral thesis "Using Mathematic-Statistical Methods in the Empirical Analysis of the Firm" and a book chapter on economic mathematical methods for application in firms and co-operations published in Moscow, he tried to reduce multicollinearity in regression analysis by applying factor analysis. His results were also published in Russian and Estonian articles. Herewith he enriched the Soviet economic literature with his findings and the transfer of knowledge from Western literature.

He contributed further in transforming and developing the economic literature in the Soviet Union through his application of mathematical probabilistic theory and the extension of Soviet decision theory by introducing Western models of decision theory referring to problems of business administration. His findings were published with his habilitation thesis "Analytical Basis of Management Decisions" in Moscow, although his habilitation was undertaken at the University of Tartu in the time of transition and Estonia's separation from the Soviet Union. These first steps in modernizing and showing tendencies to use Western economic and operational research knowledge were facilitated by extended visits and study trips financed by the German Academic Exchange Service and grants from the states of Schleswig Holstein and Nordrhein-Westfalen. He spent rewarding research stays at the universities of Bonn and Kiel. A guest professorship at the university of Münster followed. His time, in particular, were used to deepen his insights into decision theory and international economics. Further stays followed at research institutes and universities in Kiel, Hamburg, Leipzig, and at Bentley College in the USA. Prof. Reiljan was able to obtain research funding from various external sources, such as Volkswagen Stiftung and Konrad Adenauer Stiftung.

After the Faculty of Economics and Business Administration of the University of Tartu was redesigned, he did intensive research on transformation problems of the Estonian economy using his international scientific contacts and relations. His main research topic was the economic competitiveness of small countries under transition. He described, informed and published about the transformation process in Estonia in national and international journals as well as investigated transformation in sectors such as agriculture and industry. Many of his studies on transformation and competition were published. He was the principal investigator for several Estonian Science Foundation grants, for example, "The Competitiveness of the Estonian Business Environment" (1995-1998), "The Competitiveness of Estonian Industry in Integration with the European Union" (1999-2003) and "Strategies of the Sustainable and balanced Development of Estonia in Joining with the European

Union (2003–2007)". Results of his research were used in the process of developing Estonia's economic policy. Later, particularly during his tenure as chair of international and public economics (until 2012), he worked on various integration problems of Estonia as a transformation country related to its integration with Europe.

He assumed a professorship for international economy in 1992 and for public economics in 2000 and concentrated on public sector transition problems related to Estonian administrative-territorial reforms, fiscal equalization, unfunded mandates in Estonia, Estonian fiscal policy, the pension system in Estonia, the use of Estonians currency reserves, the public real estate policy in Estonia, the state public innovation policies, and municipal and central state public finance. In his publications he always emphasised the necessity of public intervention into the ongoing creation of transformation policies.

In some ways his international academic relations influenced the transformation processes directly. This concerned the transformation of the Faculty of Economics and Business Administration. Prof. Reiljan was among the scientists of the faculty fighting for its survival when the University of Tartu was reformed. They formulated a development plan for the faculty partly based on experiences gained during research stays with German universities by Prof. Reiljan and colleagues such as Prof. Haldma, Prof. Sepp, Prof. Paas and Prof. Varblane. Other scientists, e.g. Prof. Vadi supported the reform process actively. As the first dean of the reformed faculty he oversaw the creation of the curricula and introduced new research incentives, thus pushing the transformation process in the faculty. He also initiated the writing of over 100 textbooks in Estonian language to introduce modern economics and to create teaching materials in the national language. The five doctoral students he supervised achieved remarkable scientific results.

Another influence on the Estonian transformation process resulted from Prof. Reiljan's political activities. These took place through his role as an advisor to Prime Minister Vahi during the period 1991/1992. He was engaged in the Eestimaa Rahvaliid party (People's Union of Estonia), and he was member of the Estonian Parliament (Riigikogu) between the years 1999 and 2007. He was engaged to ensure that Eesti Energia was saved as a public enterprise. As member of council of Riigi Kinnisvara AS (State Real Estate Firm) he was engaged in the development process of the state real estate policy. His knowledge about Estonian economic conditions and transformation processes was also used when he served as an Estonian observer in the European Parliament. Prof. Reiljan had the privilege to use his scientific skills in research, academic teaching, and economic and political practice. His doctoral students and those sitting in his lectures will benefit from his experience and knowledge as prof. emeritus at the School of Economics and Business Administration of the University of Tartu.

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*Editor*