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Tourism Urbanization in Croatia. The Cases of Poreč in Istria and Makarska in Dalmatia

Abstract. Taking Croatia as a case in point, the authors compare the influence of spatial planning on tourism urbanization. To understand how tourism and spatial planning have interacted on a subnational level, two tourism centres on the Adriatic coast, Poreč in Istria and Makarska in Dalmatia, were chosen as case studies. The authors argue that while tourism-driven urbanization during the socialist era favoured the development of hotels paired with quality communal infrastructure and public facilities, the subsequent socio-economic transformation has oriented tourism investments towards private profit in ways that have often led to the neglect of public interest and facilities. The two chosen cases represent different paths, however. In the last thirty years, Makarska has fallen prey to what has come to be called *apartmanizacija* (apartmentization)—an usurpation of valuable coastal space through the uncontrolled construction of private apartments. Poreč, on the other hand, has maintained its well-planned space by carefully rebuilding and upgrading its hotel capacities.

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Introduction

Croatia is one of the fastest developing tourism economies in the world, with tourism on average contributing more than 20% to the annual national

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budget.¹ During socialism, Croatia had primarily relied on its abundant natural and cultural resources to attract tourists.² In 2014, it still used the marketing slogan 'The Mediterranean as it once was'—part of international tourism promotion since 2001—emphasizing how Croatia represented the last part of the Mediterranean coast not to have been layered in concrete, covered in tourist apartments, or environmentally compromised for future generations.³

However, these general assumptions translated varying into different local realities. Our case studies Poreč and Makarska allow us to embed the study in the comparative research design.⁴ While Makarska in Dalmatia, on Croatia's southern coast, and Poreč in Istria on the northern Croatian Adriatic, are two very similar cities where we would expect similar tourism urbanization patterns, they differ with regard to administrative capacities and the development strategies they adopted during the transition from state socialism. We will argue that this difference between the two cities led to divergent paths in tourism urbanization.

In the following, we show how the two small, tourism-dependent towns of Poreč and Makarska were affected differently by the systemic changes after 1990 in terms of tourism urbanization. Both towns have seen similar growth rates, and have less than 20,000 inhabitants (Figure 1).

Moreover, the two cities have largely relied on a similar pattern of foreign visitors. During socialism, the Makarska area attracted predominantly German, Czech, Slovak and Austrian tourists, while tourists from Bosnia and Herzegovina made up the majority of Yugoslav domestic visitors.⁵ The Poreč area relied on Italian, Austrian and German visitors, while Slovenes dominated among the Yugoslav domestic visitors.⁶ Both towns developed into spatially well-planned, regional tourism centres.

¹ Ministarstvo turizma Republike Hrvatske, Turizam u brojkama 2014., <https://www.htz.hr/sites/default/files/2016-11/Turizam-u-brojkama-2014.pdf>. All internet references were accessed on 19 August 2019.

² Antun Kobašić, *Turizam u Jugoslaviji*. Zagreb 1987.

³ 'Croatia. The Mediterranean As It Once Was' To Be the Slogan that Once Was, *CroatiaWeek*, 29 October 2014, <http://www.croatiaweek.com/croatia-the-mediterranean-as-it-once-was-to-be-the-slogan-that-once-was/>.

⁴ Arend Lijphart, Comparative Politics and the Comparative Method, *American Political Science Review* 65, no. 3 (1971), 682-693, DOI: 10.2307/1955513; John Gerring, Is There a (Viable) Crucial-Case Method?, *Comparative Political Studies* 40, no. 3 (2007), 231-258, DOI: 10.1177/0010414006290784.

⁵ Milivoj Franić, *Turizam na Makarskoj rivijeri*. Smještajni kapaciteti i turistički promet, Makarska 1985, 93-96.

⁶ Damir Hrvatin, *Urbanistički pokazatelji izgradnje turističkih zona*. Primjer priobalja zapadne Istre, PhD thesis, University of Zagreb 2015, 94-104.

Figure 1: Number of inhabitants of Makarska and Poreč between 1948 and 2011.

Source: Croatian Bureau of Statistics, Population Census 2011, <https://www.dzs.hr/Eng/censuses/census2011/censuslogo.htm>.

Following the systemic changes—and war—of the 1990s, the pattern of visitors remained largely unchanged, with the exception of an increase in the number of guests from Poland and the Scandinavian countries in Makarska.⁷ However, Makarska became somewhat of a synonym for what has come to be known as *apartmanizacija* (apartmentization), i.e. the usurpation of valuable coastal space through the construction of privately-owned summer accommodation, while Poreč has remained a destination where urbanization has mostly reflected best practices in spatial planning and tourism.⁸

As one of the world's most lucrative economic sectors, tourism has an important transformative effect on space as a limited resource.⁹ Building on existing

⁷ The information is available on the e-Visitor portal, cf. <http://www.evisitor.hr>. However, full access requires registration.

⁸ The phenomenon of *apartmanizacija* does not have a corresponding English translation. Besides 'apartmentization', which is used in this article, the term 'apartmanization' has also been introduced, particularly when referring specifically to tourism urbanization patterns in the former Yugoslav countries.

⁹ Rochelle Turner/Evelyn Freiermuth, *Travel & Tourism Global Economic Impact and Issues 2017*, London 2017; Michael Risteska/Jordan Kocovska/Kliment Arnaudov, *Spatial Planning and Sustainable Tourism as Basis for Developing Competitive Tourist Destinations*, *Procedia. Social and Behavioral Sciences* 44 (2012), 375–86, DOI: 10.1016/j.sbspro.2012.05.042; Angelique Chettiparamb/Thomas Huw, *Tourism and Spatial Planning*, *Journal of Policy Research in Tourism, Leisure and Events* 4, no. 3 (2012), 215–220; Jasenka Kranjčević, *Spatial Planning of Tourism. The Situation and the Consequences*, in: Zlatko Karač, ed., *Rethinking Urbanism*, Zagreb 2012, 127–130.

literature, we examine how two different socio-economic and political systems—socialism and the market economy—have influenced tourism urbanization on the Croatian Adriatic coast.

After the Croatian parliament proclaimed the independence of Croatia from Yugoslavia on 25 July 1991, it adopted a set of new laws that were to ensure the country's transition to a market economy. During socialism, almost all companies had been socially owned. The process of privatization that unfolded after 1991 turned part of socially-owned property into state-owned property. Among the state-owned enterprises established at this time were the postal service, the state forest management company, and the state railways. The remaining share of socially-owned property was gradually privatized; this included hotels and tourism enterprises, albeit not the land belonging to tourism enterprises. On the whole, the process of introducing new legislation was relatively slow, and laws that had been valid in socialist Croatia continued to apply until new laws replaced them.

To be sure, given that the introduction of the market economy took place in parallel to the war effort, new legislation allowing private investment and ownership was brought in relatively fast. This was the case, for example, with the Physical Planning Act adopted in 1994. The legislative process was far from smooth, however. The resulting laws were not harmonized across policy areas and sometimes provided contradictory solutions. In the case of the Physical Planning Act, it indeed allowed for the private ownership of tourism enterprises and physical infrastructure, but the land that facilities and infrastructure were built on was not privatized and therefore was caught in a legislative limbo with regard to ownership status.

In order to analyse the relationship between spatial planning and tourism urbanization across two socio-economic and political systems, we will focus on the baseline framework, developmental goals, and the relevant legislation established by each of the systems. We compare the development from socialism to a market economy in the cases of Poreč and Makarska based on standardized tourism urbanization indicators derived from the number of tourists, overnight stays, inhabitants, the number of beds, the number and type of tourism facilities, and the extent of planned tourism zones. We first give an overview of the scholarly literature, tourism development plans, spatial planning and the consumption of space in socialist Croatia between 1945 and 1990, with a special focus on our local cases of Makarska and Poreč. We then contrast tourism urbanization in socialism with the subsequent quarter of a century of development under the conditions of a market economy (1991 to 2017). As we will show, Makarska and Poreč have seen different outcomes in this transitional process.

Tourism Urbanization as a Transformative Power

Tourism has important transformative effects on space as a limited resource, which differ across countries and regions, but also across local units of self-governance.¹⁰ Few works have focused on the role of the political system on tourism development in (transitional) market economies.¹¹ Yugoslav tourism, scholars generally agree, represented a specific case among the state socialist countries.¹² After the split with Moscow in 1948, Yugoslav particularism was reflected in a number of socio-economic policies and sectors, and tourism was among them. The expulsion from the Cominform made Yugoslavia turn towards the West: not only did Yugoslavia accept Western mass tourism, but it used tourism to give Yugoslav socialism a face towards the West. Such policies strongly influenced tourism planning and development.¹³

The resulting differences in tourism urbanization across state socialist countries have been explored in detail in a comparison of Yugoslavia and Bulgaria. While the Bulgarian Black Sea coastal environment suffered from aggressive and megalomaniac urbanization efforts during socialist tourism development, the Yugoslav coast remained largely preserved.¹⁴ Suggesting that Yugoslav socialism was not a completely isolated case of sustainable socialist tourism, Winson has argued that Cuban socialism, too, can be credited with having developed relatively sustainable eco-tourism.¹⁵ Important contributions to recent literature on tourism development have been made by scholars who

¹⁰ Martin Mowforth/Ian Munt, *Tourism and Sustainability*. New Tourism in the Third World, London 1998; Mónica García-Quesada/Fernando Jiménez/Manuel Villoria, *Can't Control/Won't Control*. Opportunities and Deterrents for Local Urban Corruption in Lanzarote, *Crime, Law and Social Change* 62, no. 4 (2014), DOI: 10.1007/s10611-014-9549-z.

¹¹ Aminath Mihdha, *The Political Economy of Development. The Case of the Tourism Industry in the Maldives*, Master's thesis, School of Oriental and African Studies, London 2008, <http://maldivesresearch.org/Papers/A-Midha-2008.pdf>; Thomas Richter/Christian Steiner, *Sectoral Transformations in Neo-Patrimonial Rentier States. Tourism Development and State Policy in Egypt*, GIGA Working Papers 61, November 2007, https://www.giga-hamburg.de/en/system/files/publications/wp61_richter-steiner.pdf.

¹² Igor Tchoukarine, *The Yugoslav Road to International Tourism*, in: Hannes Grandits/Karin Taylor, eds, *Yugoslavia's Sunny Side. A History of Tourism in Socialism. 1950s-1980s*, Budapest, New York/NY 2010, 107-135; Jovan Popesku/Derek Hall, *Sustainability as the Basis for Future Tourism Development in Serbia*, in: Derek Hall, ed, *Tourism and Transition. Governance, Transformation, and Development*, Wallingford 2004, 95-105.

¹³ Karin Taylor/Hannes Grandits, *Tourism and the Making of Socialist Yugoslavia*, in: Grandits/Taylor, eds, *Yugoslavia's Sunny Side*, 1-30.

¹⁴ Elke Beyer/Anke Hagemann/Michael Zinganel, eds, *Holidays after the Fall. Seaside Architecture and Urbanism in Bulgaria and Croatia*, Berlin 2013.

¹⁵ Anthony Winson, *Ecotourism and Sustainability in Cuba. Does Socialism Make a Difference?*, *Journal of Sustainable Tourism* 14, no. 1 (2006), 6-23, DOI: 10.1080/09669580608668588.

have studied the difficulties that the former state socialist economies in eastern Europe faced in preserving their country's natural and cultural heritage.¹⁶

In Yugoslav scholarly literature, the importance of spatial planning for the safeguarding of space as a limited and finite resource was recognized early. In the 1950s and 1960s, spatial programmes and plans for the development of tourism on the Yugoslav Adriatic coast evolved; by the end of the 1970s, they encompassed the entire coastline.¹⁷ By then, literature that discussed the importance of developing spatial plans to ensure long-term tourism sustainability had grown significantly, too. Yugoslav scholars from such diverse fields as architecture, spatial planning, economics, art history, cultural heritage, and agriculture already in the 1960s sought to harmonize differing attitudes towards tourism development and to support tourism planning across disciplines. They focused on the importance of developing spatial plans for tourism areas,¹⁸ spatial planning in protected areas,¹⁹ regional aspects of tourism planning,²⁰ infrastructure in connection with the Adriatic Highway,²¹ and on harmonizing tourism growth with agriculture.²² Art historians Eugen Franković²³ and Milan Prelog²⁴ wrote about the consequences of tourism urbanization on the Yugoslav Adriatic coast and particularly emphasized the need to use cultural heritage and the landscape sustainably. In the 1960s, international exper-

¹⁶ Bill Bramwell/Dorothea Meyer, Power and Tourism Policy Relations in Transition, *Annals of Tourism Research* 34, no. 3 (2007), 766–788, DOI: 10.1016/j.annals.2007.03.009; Derek R. Hall, The Challenge of International Tourism in Eastern Europe, *Tourism Management* 13, no. 1 (1992), 41–44, DOI: 10.1016/0261-5177(92)90030-B; Derek R. Hall, Tourism Development and Sustainability Issues in Central and South-Eastern Europe, *Tourism Management* 19, no. 5 (1998), 423–431, DOI: 10.1016/S0261-5177(98)00039-9.

¹⁷ Sabor SR Hrvatske, Metodologije i uputstva za izradu dugoročnog programa razvitka turizma, Zagreb 1959; Urbanistički Institut SR Hrvatske, Program dugoročnog razvoja i plan prostornog uređenja jadranskog područja, Zagreb 1967; United Nations Development Programme / Urbanistički Institut SR Hrvatske / Urbanistični Institut SR Slovenije, Koordinacioni regionalni prostorni plan 'Gornji Jadran', Zagreb 1972.

¹⁸ Bruno Milić, Izrada prostornih planova za turistička područja, *Turizam* 11, no. 4–5 (1963), 10–13; Dragutin Alfier, Mjesto turizma u planovima prostornog uređenja, *Turizam* 10, no. 4–5 (1962), 14–17.

¹⁹ Boris Ševčik, Planiranje i projektiranje zaštićenih prostora i objekata jadranskog područja, *Turizam* 11, no. 4–5, (1963), 17–18.

²⁰ Neda Andrić et al., Regionalni aspekti planiranja turizma, *Turizam* 10, no. 10–11 (1962), 18–26.

²¹ Drago Boltar, Neki aspekti planiranja i opreme jadranske magistrale, *Turizam* 11, no. 4–5 (1963), 18–22.

²² Franjo Gašparović, Dosadašnji naponi za prostorno planiranje jadranskog područja, *Turizam* 11, no. 4–5 (1963), 5–6; Ante Mihletić, Turizam i planiranje poljoprivrede u jadranskom području, *Turizam* 11, no. 4–5 (1962), 14–17.

²³ Eugen Franković, Urbanizam na Jadranu danas, *Život Umjetnosti* 5, no. 5 (1967), 42–47, <https://zivotumjetnosti.ipu.hr/urbanizam-na-jadranu-5-1967/>.

²⁴ Milan Prelog, *Prostor – vrijeme*, Zagreb 1973.

tise in the field was broadly accepted, but tourism development in Croatia—and more generally Yugoslavia—was mostly discussed by domestic experts.²⁵

Renowned architect and urbanist Ante Marinović-Uzelac proposed criteria for more realistic planning. In addition, his work strongly influenced the planning of protected nature zones.²⁶ At the end of the 1980s, Dragutin Alfier explored the causes and consequences of the excessive increase in weekend homes in Yugoslavia.²⁷ Around the same time, Antun Kobašić and Stevan Stanković focused on economic aspects of tourism development and demand.²⁸ They analysed the stages of tourism development in Yugoslavia, patterns of demand, and seasonality. Stanković particularly emphasized regional specificities in his assessment of tourism development across the Yugoslav republics.

More recently, Hannes Grandits and Karin Taylor edited a collected volume, *Yugoslavia's Sunny Side*, which encompasses historically informed studies on spatial planning as well as economic, political and social aspects of tourism development in socialist Yugoslavia, while Elke Beyer et al. and Iris Meder have provided valuable insights into the architectural specificities of Yugoslav socialist seaside tourism.²⁹

Generally, the challenges that tourism development represents for the sustainable use of land as a limited resource in market economies remain relatively understudied. The strengths and weaknesses of contemporary tourism in Croatia are no exception. Dubravko Mihaljek has explored to what extent accession to the EU has represented a blessing or a curse for Croatian tourism development.³⁰ Tourism's complex relationship with the environment, the labour market, and the wars of the 1990s in Croatia were addressed at the conference 'Myths of Tourism' in Zadar in 2013.³¹ While the role of public administration and political institutions in tourism and urbanization during both the socialist and the market economies has been explored for the cases of Croatia

²⁵ Cf. Miro Marasović, O dosadašnjoj turističkoj izgradnji jadranske obale, *Čovjek i prostor* 13, no. 160-161 (1966), 1-9. Among the exceptions was an article on Yugoslavia by Kurt Krapf, a Swiss expert and professor of tourism, cf. Kurt Krapf, Turizam faktor moderne privrede, *Turizam* 10, no. 11 (1962), 4-8.

²⁶ Ante Marinović-Uzelac, *Naselja, gradovi, prostori*, Zagreb 1986.

²⁷ Dragutin Alfier, Uzroci i posljedice pretjerane izgradnje kuća za odmor i rekreaciju na području Jugoslavije, *Turizam* 6, no. 165 (1987), 317-334.

²⁸ Antun Kobašić, Lessons from Planning in Yugoslavia's Tourist Industry, *International Journal of Tourism Management* 2, no. 4 (1981), 233-239; Antun Kobašić, *Turizam u Jugoslaviji*, Zagreb 1987; Stevan Stanković, *Turizam u Jugoslaviji*, Belgrade 1990.

²⁹ Grandits / Taylor, eds, *Yugoslavia's Sunny Side*; Beyer / Hagemann / Zinganel, eds, *Holidays after The Fall*; Iris Meder, New Literature on the Architecture of Socialist Modernity in Yugoslavia, *Südosteuropa. Journal of Politics and Society* 64, no. 3 (2016), 396-418.

³⁰ Dubravko Mihaljek, Slobodno kretanje kapitala, tržište nekretnina i turizam. Blagodat ili nevolja za Hrvatsku na putu u Europsku uniju, in: Katarina Ott, ed, *Pridruživanje Hrvatske Europskoj uniji. Isusret izazovima pregovora*, Zagreb 2005, 181-222.

³¹ Nevenka Čavlek / Božena Krce Miočić, eds, *Myths of Tourism*, Zadar 2013.

and Montenegro,³² scholars have so far paid no attention to how the two successive socio-economic and political systems affected tourism urbanization on the city level. This is precisely what we intend to do in this comparative study.

Tourism Urbanization in Socialist Yugoslavia

The Years Following the Second World War

The marketing slogan 'Yugoslavia, the land of socialism, natural beauty and tourism' was attributed to Yugoslav president Josip Broz Tito and printed under his photo in the Illustrated Tourism and Hotel Guide issued in Zagreb in 1966.³³ We argue that both the paradigm of social ownership and orientation towards the public interest and social development during socialism were of immense importance for 'humanized' urbanization and the protection of space as a limited resource. To be sure, organized and planned tourism development along the eastern Adriatic coast had started already during the time of the Austro-Hungarian monarchy in the second half of the 19th century. But this had been reserved for the elites; mass tourism would not develop until after the Second World War. Moreover, during the war many coastal cities were bombarded and damaged. Still, the favourable spatial, geographic and climatic conditions on the Adriatic coast, aligned with the post-war boom in European and world tourism, attracted both domestic and foreign visitors. As tourism in socialism had a predominantly socio-political rather than a commercial function, its initial phase was marked by the construction of workers' resorts. Shortly after the establishment of the state, the socialist authorities in 1946 introduced the right to a paid vacation and started to financially support holidays for workers and employees. Both measures strongly incentivized the development of domestic tourism (see Table 1).

In 1948, the total number of tourists in Yugoslavia—foreign and domestic—was relatively low at 1,678,256 and very much dominated by domestic tourists. According to Kobašić, a tourist is an individual who spends a night away from his or her place of residence. Domestic tourists thus comprised inhabitants of the Yugoslav republics who spent at least a night away from home.³⁴ By 1960, the total number had risen by 210% to 5,188,043, and by 1970 it had doubled again to 11,860,000. Subsequently, the number of tourists continued to increase considerably, even if at a slower pace. In 1980, a total 18,089,500 tourists (including both domestic and foreign) were registered in Yugoslavia,

³² Sanja Hajdinjak, *When Bureaucrats Constrain the Grabbing Hand*. Environmental Resource Sustainability in Tourism, PhD thesis, Budapest 2017.

³³ Joe Matošić, *Ilustrirani turističko privredni i hotelski vodič po Jugoslaviji*, Zagreb 1966.

³⁴ Kobašić, *Turizam u Jugoslaviji*, 9.

Table 1: Number of domestic and foreign tourists in Yugoslavia. Source: Ante Kobašić, *Turizam u Jugoslaviji*, Zagreb 1987, 12-19; Stevan Stanković, *Turizam u Jugoslaviji*, Belgrade 1990.

Year	Domestic	Foreign	Total
1948	1,616,756	61,500	1,678,256
1950	2,319,697	41,221	2,360,918
1960	4,314,903	873,140	5,188,043
1970	7,112,000	4,748,000	11,860,000
1980	11,678,100	6,410,400	18,089,500
1988	12,773,000	9,018,000	21,791,000

and in 1988 the number reached 21,791,100. During these decades, the sending countries of people spending their holidays at the seaside changed drastically. While the early years were dominated by domestic visitors, between 1960 and 1970 the number of foreign tourists rose from less than a million to almost five million. The trend continued, and in 1988 there were 12,773,000 domestic and 9,018,000 foreign tourists.

Considering these stunning growth rates, it is not surprising that in the aftermath of the Second World War existing tourism facilities, infrastructure and technological equipment could not satisfy the growing demand. Tourism was developing rapidly along the entire Yugoslav Adriatic coast, even though the necessary technical, organizational, administrative and legal conditions were not fully ensured. In this early period, renovation included only the most necessary repairs and new tourism development was limited to the construction of hotels, apartments and hostels, while less attention was given to other much-needed facilities. The importance of communal and regional infrastructure, sanitary and transport facilities as well as heat protection measures (e.g. shade structures), was not well understood.³⁵

The main goal was to secure as many tourism accommodation units as possible with minimum investment and in the shortest possible time. As a result, the initial period of fast-paced socialist tourism urbanization was also accompanied by a lack of intersectoral cooperation.³⁶ Tourism demand for water, electricity, means of transport and food supplies was not adequately satisfied. Analysis of the Social Plan for the Economic Development of Yugoslavia for the period between 1957 and 1961 supports this argument.³⁷ While the plan

³⁵ Miro Marasović, O dosadašnjoj turističkoj izgradnji jadranske obale, *Čovjek i prostor* 13, no. 160-161 (1966), 1-9; cf. Taylor / Grandits, *Tourism and the Making of Socialist Yugoslavia*, 1-30.

³⁶ Dragutin Alfier / Roman Domanik, Osnovne pretpostavke o ekonomici i unapređenju našeg turizma, in: I. Karli / M. Novak, eds, *Zbornik rasprava o problemima turističke privrede. Savjetovanje u Dubrovniku od 28. do 30. listopada 1954.*, Zagreb 1955, 3-46.

³⁷ Savezna skupština, *Društveni plan privrednog razvoja Jugoslavije*, Belgrade 1957.

specifically encouraged tourism development, it did not deal with the spatial distribution of the tourism sector, nor did it specifically plan the structure, spatial distribution, location, type or category of tourism facilities to be built.

It became clearer that the development of tourism would need to be harmonized with spatial plans. However, the data necessary to produce a long-term strategy that would take the effects of tourism urbanization into account were not yet available. Long-term planning required an analysis of geographic, demographic, economic and transportation conditions, based on which a strategy connecting tourism development with other economic sectors could be developed.

In the socialist Republic of Croatia, the document 'Methodology and Guidelines for a Long-term Tourism Development Programme' (*Metodologija i uputstva za izradu dugoročnog programa razvitka*), which was to ensure the harmonization of tourism development with spatial plans, was adopted in 1959.³⁸ It gave clear instructions on how to develop new spatial plans and analyse the existing spatial and technical conditions of tourism with the intention of harmonizing spatial planning and the tourism sector. For the first time, the spatial conditions of tourism supply were taken into consideration when assessing potential tourism demand.

How did early socialist tourism and planning development affect Makarska and Poreč? As a result of the new vacation regulations and support for domestic tourism, both locations started planning where and in what form tourism urbanization would take place. In Makarska, spatial planning was initiated earlier than in Poreč. One of the reasons for this was that Makarska was regarded as a more attractive area. Additionally, the Yugoslav Navy had been founded during the Second World War in the town of Podgora near Makarska, instigating further planning efforts on that account as well. Finally, since the local population of Dalmatia, and in particular of Makarska, had actively participated in the liberation of the territory from fascist occupation, this was moulded into another reason for privileging the area in the development of spatial planning and the distribution of funding.

Three important documents provided a framework for tourism urbanization in Makarska in the period between 1946 and 1964. First, the 1949 'General Regulation Act' (*Generalna Regulatorna Osnova*) emphasized the future tourism orientation of the town.³⁹ It suggested locations for the future tourism zones, while taking into account the planned new main road. It also defined the potential of hotels, motels as well as private lodgings to accommodate tourists.

³⁸ Komisija za turizam, Odbora za privredu, Izvršnog vijeća Sabora NR Hrvatske, Metodologije i uputstva za izradu dugoročnog programa razvitka turizma, Zagreb 1959.

³⁹ Vlado Antolić, Makarska. Generalna regulatorna osnova, *Arhitektura* 3, no. 18-22 (1949), 63-66, 63.

Second, when the 'Social Plan for the Economic Development of Yugoslavia' for the period between 1957 and 1961 was published, a new plan for tourism and hospitality development was commissioned for the Makarska county area.⁴⁰ According to it, tourism development was to focus on the hospitality segment, and private accommodation was treated as a sectoral supplement. The plan also outlined the need to ensure the prerequisites for the more intensive and far-reaching construction of hospitality and tourism infrastructure and set a strong emphasis on the need to conduct studies and create guidelines and programmes. The experts of the time began to take note of the fact that the existing plans had not yet fully accounted for the spatial characteristics and technical prerequisites of the area.

Third, responding to tourism-specific spatial planning needs, Croatian experts developed a regional plan for the Makarska area. The so-called 'Regional Plan of Tourism Development for the Coastal Area from Brela to Podgora 1958-1961' (*Regionalni plan turističke izgradnje obalnog područja od Brela do Podgore 1958-1961.*) was the first regional spatial plan for tourism in socialist Croatia and Yugoslavia and aimed at determining the basic framework for spatial aspects of tourism. Besides the spatial distribution of the tourism objects along the Makarska riviera, it defined in detail the type and number of existing, already planned and newly to-be-planned accommodation units. Tourism prospects were also analysed with regard to forest and agricultural areas, beach characteristics, entertainment facilities, production and shopping networks, as well as postal facilities. Considering that this was the only regional plan for tourism development in socialist Croatia, this plan served as a methodological base for the design of future regional tourism plans in the whole republic.

In Poreč, tourism development in the aftermath of the Second World War was more modest. According to Hrvatin, until 1964 the tourism sector was mostly based on the existing pre-war facilities that were renovated following war damage and partially rebuilt.⁴¹ Unlike for Makarska, no spatial plans existed for the area of Poreč in the early phase of socialism. In 1960, Poreč had 5,816 accommodation units, which increased to 6,077 in 1965. Compared to Makarska, the development of tourism accommodation capacity was thus much slower. Almost half the units were in camping sites (2,950), and the other half in hotels (3,127). However, during this—on the whole relatively moderate—nascent phase, several important tourism enterprises were founded in western Istria: *Riviera* and *Plava Laguna* in Poreč, *Anita* in Vrsar, *Jadran-turist* in Rovinj, and *Istraturist* in Umag. These enterprises would become the backbone of the tourism sector in the following decades.

⁴⁰ Franić, Turizam na Makarskoj rivijeri.

⁴¹ Hrvatin, Urbanistički pokazatelji izgradnje turističkih zona, 94-104.

The Peak, 1960s to 1970s

Tourism numbers skyrocketed between the 1960s and the 1980s, demonstrating both the natural potential of the Adriatic coast for tourism development and changes in European leisure trends. Despite the efforts invested in optimal planning and urbanization, several important issues plagued tourism during socialism in Yugoslavia. It proved impossible to keep the fast pace of development fully under control, and therefore the annual increase in the number of tourists and overnight stays followed an irregular pattern. To support the development of the sector, the authorities allowed and to a degree even supported the development of secondary tourism accommodation, too.⁴²

During the 1960s, the spatial data necessary for the further development of regional tourism plans were collected for the entire Yugoslav Adriatic coastal area. Tourism was identified as one of the means of achieving general economic and social development and its growth became an important factor on both the level of the Croatian republic and on the federal level as a Yugoslav strategic development goal. Taking into account the entire coastal area suitable for bathing, in-depth studies such as 'Market Aspects and the Distribution of Tourism Demand as a Basis for the Tourism Rayonisation of the Adriatic Area' (*Tržišni aspekti i raspored turističke potražnje kao podloga za turističku rajonizaciju Jadranskog područja*)⁴³ estimated the planned size and spatial distribution of tourism activity and urbanization. These plans emphasized not only the regional specificities to be taken into account for long-term development, but also focused on the preservation of the natural and cultural environment. The 'Programme for the Long-Term Development and Plan for the Spatial Planning of the Adriatic Region' (*Program dugoročnog razvoja i plan prostornog uređenja jadranskog područja*) launched in 1967 was dubbed 'the Big Adriatic' (in the original, *Veliki Jadran*).

This second phase of tourism development in Yugoslav Croatia was marked by the development of the 'Regional Plan for the Southern Adriatic' (*Regionalni prostorni plan Južni Jadran*). Based on the earlier studies, this plan outlined the market and spatial function of tourism not only in relation to the economic development of the southern Adriatic region, but also to development on the federal level. It was a state-of-the-art development plan consisting of spatial plans for the entire Yugoslav coast, covering territory that today—beyond southern Croatia—includes Bosnia and Herzegovina, and Montenegro. A couple of years later, in 1972, the northern Adriatic area received a similar plan, the 'Coordinative Regional Spatial Plan for the Upper Adriatic' (*Koordina-*

⁴² Cf. Taylor/Grandits, *Tourism and the Making of Socialist Yugoslavia*, 1-30.

⁴³ Zavod za ekonomiku turizma, *Tržišni aspekti i raspored turističke potražnje kao podloga za turističku rajonizaciju Jadranskog područja*, Zagreb 1965.

cioni regionalni prostorni plan 'Gornji Jadran'), which provided regional and urban plans for the northern Croatian and the Slovenian Adriatic. Both these regional development plans sketched tourism in a way that sought to maintain cultural and natural resources and landscapes. Attention was paid to ensuring that green recreational areas, forest, and agricultural land adorned the tourism zones.

In Makarska and Poreč, these meticulous tourism development plans were reflected on the respective local levels. The above-mentioned study, 'Market Aspects and the Distribution of Tourism Demand', planned 16,333 ha of tourism zones along the Adriatic, of which 858 ha were selected within the Makarska area.⁴⁴ The largest part of the latter, 365 ha, was allocated to the development of tourism settlements, while 198 ha were to be used for hotel construction, of which 54 ha were reserved for top category hotels, 90 ha for medium, and 54 ha for low category. The planned number of accommodation units in Makarska would constitute 4% of the entire figure for the Yugoslav Adriatic, of which 12% of units would be located in Central Dalmatia.

The 'Big Adriatic' development programme of 1967 emphasized the complexity of tourism spatial planning for the northern, central, and southern regions of the Yugoslav Adriatic, but it also outlined the economic potential of the pristine Adriatic for tourism development. Moreover, it contrasted the benefits of planned tourism urbanization with the suboptimal results of spontaneous tourism growth as had been adopted by Spain and Italy.⁴⁵ It outlined the favourable geographical position of Makarska between the northern and southern Adriatic, and accordingly anticipated the construction of 119,650 accommodation units in the area.

Comparison with the existing situation shows the extent of these plans: in 1969, there were 36,116 tourist beds along the approximately 50 kilometres of the Makarska riviera—5,039 in hotels, 4,518 in workers' resorts, 9,538 in camps, and 17,021 in private accommodation. Thus, the first plan pertaining to the entire southern Adriatic planned significant tourism urbanization in the Makarska area. Likewise, infrastructure construction and the development of additional entertainment, public utilities and tourism facilities were planned in equal measure in the other Yugoslav republics adjacent to the southern Adriatic. Landscape protection was strongly emphasized. By 1983, the planned accommodation capacity was realized.⁴⁶

In the Poreč area, the first local spatial plan was published in 1966, but the 1967 Programme represented the first comprehensive attempt to valorize Istria's regional development potential with an emphasis on tourism, agricul-

⁴⁴ Zavod za ekonomiku turizma, Tržišni aspekti i raspored turističke potražnje.

⁴⁵ Hrvatin, Urbanistički pokazatelji izgradnje turističkih zona, 42-47.

⁴⁶ Franić, Turizam na Makarskoj rivijeri, 35.

Table 2: Planned area for the development of tourism accommodation capacity in 1967 in the Makarska area. Source: Zavod za ekonomiku turizma, Tržišni aspekti i raspored turističke potražnje kao podloga za turističku rajonizaciju Jadranskog područja, Zagreb 1965, 50.

	Hotels and guest houses	Tourism settle- ments	Motels	Camping sites	Resorts	Total
Makarska area	198	365	20	125	151	859

ture, and industry. In 1969, a Regional Spatial Plan was adopted for the entire area of Istria that foresaw 300,000 tourist beds, mirroring in content and structure the plans created on the regional level for the Makarska area. Thirty-nine of the 89 kilometres that make up the western Istrian coast were selected for tourism urbanization. Of the 60,000 planned tourism beds, 95% were realized by the 1980s.⁴⁷ Most of the units were in hotels (28,000) and camping sites (17,500), while a smaller number were in workers' resorts (5,000) and private accommodation (9,000).

Poreč witnessed intensive tourism development, yet one that took the public good into consideration. Along the coast, hotels and tourism resorts were prioritized, and two major types of development pursued: on the one hand, concentrated resorts—adjacent to the existing urban areas—and on the other, isolated tourism settlements creating what is called a 'dotted' design in the midst of green zones and pristine nature. In 1969 and 1971, additional, local urban plans were adopted specifically for the city of Poreč, as well as the smaller urban areas of Červar, Lanterna, and Vrsar, then parts of the Poreč municipality.⁴⁸

Thus between 1965 and 1975 Poreč, too, saw a construction boom and grew significantly. From the modest 6,077 accommodation units in 1965, tourism capacity saw a growth rate of 412%, reaching 31,124 units in 1970 (see Table 3). More than half of these units were in camping sites (17,600), approximately one fifth in apartments (7,199) and a similar share in hotels (6,325). Growth continued at a somewhat slower pace between 1970 and 1975, when Poreč totalled 52,431 accommodation units, an increase of 68%. Camping sites continued to be the leading accommodation type with 33,200 units, but hotels (10,679) had surpassed apartments (8,552).⁴⁹

In addition, Istria started to develop administrative capacities of its own for regional planning. Whereas previously the Regional Plan of Istria had been

⁴⁷ Hrvatin, Urbanistički pokazatelji izgradnje turističkih zona, 94-104.

⁴⁸ Hrvatin, Urbanistički pokazatelji izgradnje turističkih zona, 127.

⁴⁹ Hrvatin, Urbanistički pokazatelji izgradnje turističkih zona, 94.

Table 3: Accommodation units in Poreč by type between 1960 and 2011. Source: Damir Hrvatin, *Urbanistički pokazatelji izgradnje turističkih zona. Primjer priobalja zapadne Istre*, Zagreb 2015, 94.

Year	Hotels	Apartments	Camping sites	Total
1960	-	-	-	5,816
1965	3,127	-	2,950	6,077
1970	6,325	7,199	17,600	31,124
1975	10,679	8,552	33,200	52,431
1980	12,512	9,553	44,200	66,265
1985	13,450	10,614	54,800	78,864
1991	13,323	11,775	46,500	71,598
2001	12,996	11,329	43,700	68,025
2011	12,001	10,239	43,700	65,940

developed by the Urban Planning Institute of the Socialist Republic of Croatia in Zagreb in cooperation with local experts from Istria, in 1972 the Istrian municipalities supported the creation of a new planning bureau, the Urbanism Institute Istria (URBIS – 72).⁵⁰ Relying on local spatial planners, it became the regional spatial planning hub with offices in Pula, Rovinj, Poreč, Labin, and Pazin, all in Istria, as well as in Zagreb. By contrast, Makarska relied mostly on the expertise of the Urban Planning Institute in Zagreb. To be sure, an Urbanism Institute Dalmatia Split (URBS) had been founded in 1947, but due to a lack of qualified staff it was only able to take up work in 1954.⁵¹

The Late Socialist Years, 1980s-1990

Transitioning from the 1970s to the 1980s, Yugoslav tourism development switched its emphasis from reflections on the optimal spatial distribution of tourism and other economic sectors to the development of legislative norms that could protect the hinterlands gravitating to the coast, the coastal zones, and maritime habitats. The project 'Protection of the Human Environment in the Yugoslav Adriatic Region' (*Zaštita čovjekove sredine u Jadranskoj regiji Jugoslavije*) was completed in 1978 and provided the base for drafting the Law on Spatial Planning and Spatial Management (*Zakon o prostornom planiranju i uređivanju*

⁵⁰ Hrvatin, *Urbanistički pokazatelji izgradnje turističkih zona*, 91.

⁵¹ A summary of the activities of the URBS can be found in the archive description at Arhinet, Urbanistički zavod Dalmacije, http://arhinet.arhiv.hr/details.aspx?ItemId=3_7087.

prostora), adopted in 1980. This law decreed that spatial planning must be in accordance with the goals of both social and economic development.⁵²

The legislation focused on developing the infrastructure, public spaces and contents needed to ensure a comfortable life for citizens, while particular attention was given to the working class. In terms of environmental protection, the main goals were to prevent urban coastal degradation and to preserve the biological and spatial qualities of the coastal Adriatic and its landscapes. The main tools for achieving these goals were limits on construction and the introduction of standards for urbanization and development schemes. These regulations exemplified the focus on the public interest and social development. The ownership of tourism facilities was social; hence, the goal of investment was to benefit the interests of society rather than the private interests of individuals.

As a result of these constant efforts to ensure planned tourism urbanization, in the 1980s Makarska was a well-equipped and well-functioning tourism city. The efforts of the tourism and spatial planners to ensure sustainable tourism urbanization were once more visible in the 1985 'Spatial Plan for the Makarska Municipality' (*Prostorni plan općine Makarska*). To this day, experts consider it to have been the most sophisticated plan for the Makarska area, as it realistically planned the number of new tourism beds while taking into account existing urbanization and future trends. In these plans, tourism areas constituted 3.2% of the total surface of the Makarska municipality, primarily in the coastal belt.⁵³

For the Poreč municipality, a new spatial plan was adopted in 1978 with which the general planning of the area was largely completed. In 1980, Poreč had 66,265 accommodation units—a visibly lower growth rate (26%) compared to the astonishing 763% between 1965 and 1975. Camping sites in green belts continued to dominate with 44,200 units. With 12,512 tourism beds, hotels controlled 19% of the capacity, while apartments accounted for 14% with 9,553 units. This slower growth continued up to 1985, when Poreč had 71,598 accommodation units. The popularity of the camping sector ensured that camping units rose to 54,800, as opposed to the less popular hotel (13,450) and apartment (10,614) accommodation. Towards the end of socialism, Poreč became one of the top five cities in terms of overnight stays on the Croatian Adriatic.⁵⁴

⁵² Zakon o prostornom planiranju i uređivanju prostora, in: Jadranko Crnić, ed, Hrvatska (1945-1991). Zakoni, Narodne Novine, Zagreb 1991, 140.

⁵³ Grad Makarska, Prostorni plan uređenja grada Makarske, Makarska 2006. This was a spatial plan compiled at the Faculty of Architecture at Zagreb University and subsequently adopted by the city of Makarska.

⁵⁴ Hrvatin, Urbanistički pokazatelji izgradnje turističkih zona, 100.

Before going into detail on the developments after the end of socialist Yugoslavia, it must be noted that Makarska and Poreč changed their administrative-territorial borders several times in the period between 1945 and 2017. In 1974, the 'unions of municipalities' (*zajednice općina*) were introduced and Makarska became a part of the Split unit, while Poreč fell under the Rijeka unit. Within the unions of municipalities, new administrative borders were established and the existing municipalities were further divided into cities and municipalities. In 1992, after Croatia proclaimed independence and introduced a market economy, a new territorial organisation was introduced. It established twenty counties and 419 municipalities based on arbitrary, political criteria. While the previous Yugoslav territorial organization with relatively large municipalities and unions of municipalities were considered advanced in comparison to other European countries, the new organization lacked such characteristics.⁵⁵

In addition, due to changes in the terminology and methodology used in reporting statistical data across the two political systems, for example regarding commercial and non-commercial accommodation in tourism, some statistics are not fully comparable across time. Finally, individualized data on the number and type of illegally constructed properties are not available due to privacy issues. Aggregate statistics on the county level exist, but do not differentiate between types of illegal construction, grouping everything from an illegally built villa to the reconstruction of a staircase in the same category. To circumvent these limitations as much as possible and to ensure a detailed and objective comparison of the two cities, we rely on a number of primary and secondary sources, including statistics, various types of documentation as well as expert literature.

Tourism Urbanization and the Market Economy. The 'Mediterranean As It Once Was' vs *Apartmanizacija*

At the beginning of the 1990s, socialist Yugoslavia ceased to exist, and its successor republics adopted a market economy and democracy. In 1991, when the conditions for economic and political transition were created, the Croatian War of Independence began and lasted until 1995. War damage and destruction further aggravated the effects of deindustrialization, privatization, lib-

⁵⁵ Dragutin Alfier / Roman Domanik, Osnovne pretpostavke o ekonomici i unapređenju našeg turizma, in: I. Karli / M. Novak, eds, Zbornik rasprava o problemima turističke privrede. Savjetovanje u Dubrovniku od 28. do 30. listopada 1954., Zagreb 1955, 3-46; Josip Kregar, Decentralizacija, in: Josip Kregar et al., eds, Decentralizacija, Zagreb 2011, 1-33.

eralization, and the transition to capitalism and a democratic system.⁵⁶ During the war, the number of tourist arrivals plunged by 69% and the number of overnight stays decreased by 75%—essentially returning tourism statistics to the level of the 1960s.⁵⁷

Destinations such as Dubrovnik and Kupari were on the first line of conflict, but the number of visitors was also decimated in many other tourist destinations, such as Zadar, Šibenik, Split, the island of Hvar, and also Makarska. Even though Istria was not directly in an area of fighting, tourism numbers dropped there as well.⁵⁸ During the war, 54% of Croatian territory became a conflict zone and 24% was under occupation.⁵⁹ Many residential areas were destroyed in regions where the conflict took place and in 1992, 800,000 refugees left their homes. As they fled from the war-afflicted areas, numerous hotels, both in Dalmatia and Istria, were used to temporarily house these refugees from Croatia and Bosnia and Herzegovina. The housing of refugees in hotels resulted in damages and wear which considerably reduced the value of these hotels in the privatization process.⁶⁰ In 2000, 17,000 refugees still lived in hotels along the Croatian Adriatic.⁶¹ During this period, tourists from Germany, the Czech Republic, Slovakia and the United Kingdom turned to other destinations, resulting in an irreversible loss for Croatian tourism. However, not least as a result of the hardships in other economic sectors and due to the lasting, favourable potential for tourism, almost all cities and municipalities in the newly independent Croatia, especially along the Adriatic coast, (re-)adopted tourism as one of their development goals.⁶²

⁵⁶ Pamela Ballinger, *Selling Croatia or Selling Out Croatia? Tourism Privatization and Coastal Development Issues in a 'New' Democracy*, Study Report, Washington 2003, <https://www.ucis.pitt.edu/nceer/2003-817-01f-Ballinger.pdf>.

⁵⁷ Državni zavod za statistiku, *Turizam u 2000. Dokumentacija br. 1134*, Zagreb 2001, 13-14.

⁵⁸ David Currie / Marinko Skare / Jelena Lončar, *The Impact of War on Tourism. The Case of Croatia*, paper presented at the 'Tourism Economics Conference' in Palma de Mallorca 2004, available at https://www.researchgate.net/publication/228423759_The_impact_of_War_on_Tourism_the_case_of_Croatia.

⁵⁹ Marijan Perković / Vlado Puljiz, *Ratne štete. Izdatci za branitelje, žrtve i stradalnike rata u Hrvatskoj*, *Revija za socijalnu politiku* 8, no. 2 (2001), 235-238.

⁶⁰ Saša Poljanec-Borić, *Privatizacija Hrvatske hotelske industrije. Reforma i anomija, Društvena istraživanja. Časopis za opća društvena pitanja* 13, no. 1-2 (2004), 27-48.

⁶¹ Ružica Mikačić, *Dalmatinski hoteli ne bi preživjeli nove izbjeglice, EU nam želi 'dodijeliti' 3200 migranata*, *Slobodna Dalmacija*, 3 September 2015, <https://www.slobodnadalmacija.hr/novosti/hrvatska/clanak/id/285078/dalmatinski-hoteli-ne-bi-prezivjeli-nove-izbjeglice-eu-nam-zeli-dodijeliti-3200-migranata>.

⁶² Jasenka Kranjčević, *Spatial Planning of Tourism. The Situation and the Consequences*, paper presented at the conference 'Rethinking Urbanism', Zagreb 2012, available at https://www.researchgate.net/publication/273888784_Spatial_Planning_of_Tourism_-_The_Situation_and_the_ConsequencesProstorno_planiranje_turizma_-_stanje_i_posljedice.

During the transition to a market economy, the coastal area witnessed accelerated urbanization that was dominated by the illegal construction of privately-owned summer homes. While in socialism the goals of tourism had been integrated with and adapted to broader social and development goals, now tourism was integrated into global markets and adapted to global tourism trends. Facilities previously in social ownership were turned into private property. However, while the privatization process regulated the private ownership of tourism buildings, it did not do the same with regard to the land on which they were built, an issue that has remained unresolved to this day. Investments in tourism, whether in new facilities or the existing ones, became profit-oriented. To be sure, the socialist authorities had pursued profit, too, but with social ownership in place no reason had existed to thwart the public interest in order to pursue a private, vested one. Now, private interest clearly was prioritized over public concerns, leading to profit-oriented construction that lacked public content or even the necessary infrastructure.

Attracting foreign currency, already an objective in Yugoslavia, now came to strongly influence legislation. The existing strong spatial planning traditions and expertise inherited from socialism initially provided restrictions on the use of land as a limited resource. However, frequent legislative changes aimed at attracting investors dismantled the protective role of these traditions. Between 1994 and 2017, more than a dozen legislative acts were adopted in the field of spatial planning.⁶³

The above-mentioned Physical Planning Act (*Zakon o prostornom uređenju*) was adopted in 1994 and served as the initial framework for spatial planning and tourism development in the newly introduced market economy. However, by 2004 the text of this law had been changed four times, leading to legal insecurity regarding its implementation. The Physical Planning and Building Act (*Zakon o prostornom uređenju i gradnji*) of 2007 was a fresh attempt to regulate the use of land for tourism and other sectors and integrated spatial planning and the building sector. However, it suffered from the same ailment as the Physical Planning Act, having been amended six times.

As the demand for tourism and land urbanization increased, legislative solutions became more and more oriented towards investors. Returns on hotel investment in tourism are relatively low and investments require several years to pay off. However, the possibility to develop apartments and villas for individual ownership (with the option of renting them out) within tourism zones makes urbanization much more profitable. While the 2007 Physical Planning and Building Act and its amendments until 2011 prohibited the

⁶³ Zrinka Rudež/Jure Marić, Prostorno planiranje u funkciji održivog razvoja turizma Dubrovačko-neretvanske Županije, *Zbornik Sveučilišta u Dubrovniku* 1 (2014), <https://hrcak.srce.hr/136525>.

sale of residential units within tourism zones, the 2011 amendment to the Act finally granted this concession to investors. The Law on Golf Terrains (*Zakon o igralištima za golf*) of 2008 allowed apartments to be built within golfing areas and has attempted to directly target forest areas that enjoy strong legal protection against land urbanization.⁶⁴

Administration in the newly established, war-torn country was often not up to the challenges that came with transition, despite existing long-term practices. Planners and architects in charge of developing spatial plans, as well as the local political officials responsible for their implementation, began changing their attitudes towards the use of space as they stopped operating within the public administration apparatus and became market actors. A suitable taxation system aimed at filling local budgets was largely missing—reflecting negatively on the development of communal infrastructure and public spaces. One source of funding for the development of the latter is the *paušal*, the annual tax charged per tourist bed, determined by the municipalities themselves. However, most have refrained from raising this tax to more than 50 euros per year. While the same taxation system applied during socialism, taxes returned from the hotels provided more funding for public facilities. Given that the amount of private accommodation rose sharply and owners are simultaneously voters, the political survival of the local political elites was contingent on low taxation. On the whole, the suboptimal functioning of the state administration combined with the numerous social, political, economic and cultural changes brought about by transition led to the slower implementation of spatial plans and consequently to the neglect of public and long-term interests in the use of space.⁶⁵

While there is no data on the increase of illegal construction for the first post-socialist decade, the ministry in charge of spatial planning in 2013 estimated the number of illegal buildings at 350,000.⁶⁶ Illegal construction was particularly widespread in the coastal area due to its valuable natural resources and the potential for tourism, real estate development, and profit. Europe-wide growth in demand for leisure activities boosted the tourism sector in Croatia between 2007 and 2017, while at the same time ensuring much-needed revenue. However, despite good financial results, spatial planning experts and the public have expressed dissatisfaction with the negative effects of the tourism boom—linear coastal urbanization dominated by privately-owned,

⁶⁴ Hajdinjak, When Bureaucrats Constrain the Grabbing Hand, 171-183.

⁶⁵ Jasenka Kranjčević, Proces pridruživanja Europskoj Uniji i prostorno uređenje Hrvatske, in: Katarina Ott, ed, Pridruživanje Hrvatske Europskoj uniji. U susret izazovima pregovora, Zagreb 2005, 233-238.

⁶⁶ Bosiljka Britvić-Vetma, Ozakonjenje bespravno sagrađenih zgrada, *Zbornik Pravnog Fakulteta Sveučilišta Rijeka* 34, no. 1 (2013), https://www.pravri.uniri.hr/files/zbornik/v_34_1_2013/4BritvicVetma.pdf.

Figure 2: Tourism beds by type in Croatia, 1980 to 2017. Source: Ministarstvo turizma, Turizam u brojkama 2017., 14, no. 1 (2018), https://mint.gov.hr/UserDocsImages/AA_2018_c-dokumenti/180608_HTZTUBHR_2017.PDF.

often illegally constructed apartments, an insufficient number of pedestrian zones and parks, parking places, public areas, and a general lack of communal infrastructure.

When it comes to the structure of accommodation units, private accommodation has dwarfed all other types of accommodation. While the number of hotels has remained more or less constant, the number of private accommodation units exploded (Figure 2). In 1980, there were 113,177 beds in hotels and apart-hotels, which by 2017 had risen to 132,576 units. Simultaneously, the number of accommodation units in private houses rose by 278%—from 196,034 in 1980 to 741,509 in 2017, i.e. from constituting a third of total accommodation in 1980, private accommodation rose to amount to more than half in 2017. We take this as an indicator of the changes that have marked tourism urbanization as a consequence of the introduction of a market economy.

At the same time, the population of the Adriatic coast has seen an inverse development. The number of inhabitants has decreased slowly, dipping 1% between 2001 and 2011, while the number of tourist beds has continued to increase—in the same decade by 30% (Table 4).⁶⁷

⁶⁷ Ministarstvo turizma, Turizam u brojkama 2017.

Table 4: Number of inhabitants and tourist beds in Croatia across the Adriatic counties in 2001, 2011 and 2015. Source: Business Intelligence System for Tourism, Institute for Tourism, Zagreb 2018; Croatian Bureau of Statistics, Census of Population, Households and Dwellings 2011, <https://www.dzs.hr/Eng/censuses/census2011/censuslogo.htm> / Ministarstvo turizma, Turizam u brojkama 2017.

	Number of inhabitants		Total number of tourist beds		
County	2001	2011	2001	2011	2015
Istria	206,344	208,440	138,466	164,844	270,580
Primorje-Gorski Kotar	305,505	296,123	91,472	101,812	185,556
Lika-Senj	53,677	51,022	10,291	18,501	38,669
Zadar	162,045	170,398	39,831	65,061	139,553
Šibenik-Knin	112,891	109,320	25,933	35,733	81,874
Split-Dalmatia	463,676	455,242	62,977	89,767	224,849
Dubrovnik-Neretva	122,870	122,783	32,986	47,222	77,300
Total	1,427,008	1,413,328	401,956	522,940	1,018,556

In a recent critique of how public assets have been managed in Makarska, Boris Stamenić has suggested that the relentless, illegal urbanization after the transition to a market economy has been one of the main reasons why the size of the urbanized areas has increased so drastically in comparison to the 1950s—when Makarska was a small fishing village concentrated around the old town core. Private housing units (both legal and illegal) along the coast were built extensively from 1991 onwards for the seasonal renting of rooms and apartments to tourists. Even when the quadruple increase in the number of inhabitants between the 1950s and 2010s is taken into account, apartmentization remains the most important explanation for the accelerated urbanization of the Makarska riviera.⁶⁸ The business sector in the Makarska area and institutions in charge of spatial planning agree that on the one hand the area is characterized by the extensive development of private summer homes and apartments built for the tourism market. On the other hand, Makarska continues to lack additional hospitality facilities, such as congress centres, leisure areas, and cultural centres.⁶⁹

⁶⁸ Boris Stamenić, *Plaža kao ekonomski resurs. Prica s Makarske rivijere*, *Javno Dobro*, 16 May 2017, <http://javnodobro.udd.hr/plaza-kao-ekonomski-resurs-prica-s-makarske-rivijere/>.

⁶⁹ Ivona Ćirak, *Sprema li nam se potpuni turistički kolaps? Stručnjaci otkrivaju do kad možemo ovim tempom zidati apartmane i hotele te upozoravaju: 'Mogli bi se pretvoriti u favele koje nitko ne želi posjetiti'*, *Slobodna Dalmacija*, 23 May 2018, <https://www.slobodnadalmacija.hr/dalmacija/split-zupanija/clanak/id/547890/sprema-li-nam-se-potpuni-turisticki-kolaps-strucnjaci>.

In comparison, Poreč has successfully modernized and increased not only the number of hotels, but also the quality of its tourism offer. Despite a tendency towards 'apartmentization', Poreč has ensured the protection of its space, recognizing it as the area's most important resource. In 2017, Poreč featured more tourist beds than Makarska, but Makarska surpassed Poreč in the number of beds in private apartments, reaching 73% of total capacity (13,770), while in Poreč only 37%, or 10,573 tourist beds, were in private accommodation.⁷⁰

In Makarska, in the aftermath of the war, municipal planning resources were unable to hold back the surge in illegal construction. Moreover, new spatial plans allowed an increase in urbanized, residential areas and the expansion of private tourism accommodation. In Poreč, on the other hand, spatial planning remained inherently connected to general social and economic development, and also respected the protection of space as a limited resource. As a result, tourism development here was limited to the reconstruction and upgrading of existing capacity, with the aim of improving tourism facilities and extending the summer season. Since most tourists visit the Croatian seaside between June and September, tourism-dependent cities and municipalities grow in size during the summer and, as a result of fast and uncontrolled urbanization, resemble 'ghost cities' in the off-season period. Much of the infrastructure is either insufficiently developed to handle the pressures of summer tourism, or is underused and left to decay throughout the rest of the year. Extending the tourism season is therefore a priority in coastal Croatia.

In 2006, the spatial plan for the city of Makarska gave an overview of all issues resulting from the transition to a market economy. The authors of the plan suggested that the two largest problems were, on the one hand, illegal construction that was usurping public recreational and forest areas, and on the other, legal construction that neglected any long-term development perspective. Both types favoured private interest and were anything but the result of careful consideration of how quality spatial development could be made sustainable. The lack of vision in Makarska is best illustrated by the chronic traffic issues that have jeopardized any normal city life. The construction density has increased without investment in communal infrastructure, thereby diminishing the overall quality of life. In addition, agricultural areas have been wasted on residential units and access paths. And even those areas

otkrivaju-do-kad-mozemo-ovim-tempom-zidati-apartmane-i-hotele-te-upozoravaju-mogli-bi-se-pretvoriti-u-favele-koje-nitko-ne-zel.

⁷⁰ The information is available on the e-Visitor portal, cf. <http://www.evisitor.hr>. However, full access requires registration.

for which detailed development concepts existed have ended up seeing these plans poorly implemented.⁷¹

The opportunity to make quick profit has guided tourism urbanization during times in which best practices in spatial planning have been neglected. The transition has contributed to the perception that every square metre can be urbanized and henceforth turned into significant profit. Due to the lack of effective controls, very many previously green and pristine coastal areas have been urbanized.⁷² Such misuse of space has certainly benefited investors in the short run, but in the long run it represents a serious issue for all stakeholders. The Makarska municipality became much smaller when the new territorial organization was adopted in 1993 and areas such as Brela and Podgora, previously included in the municipality, obtained municipal status as well. However, with only a few municipal employees and no clear vision for development provided at the central level, nothing has stood in the way of accelerated tourism urbanization. Not only were the new municipalities understaffed, employees also often lacked sufficient education and the skills to handle the specific spatial planning tasks they were in charge of.⁷³

While many other parts of the Croatian Adriatic have faced the same urbanization pressures as Makarska, Poreč has managed to protect its space well. During the last war and in its immediate aftermath, Istrian flagship companies, including *Istraturist*, *Laguna Novigrad*, *Riviera Adria*, *Plava Laguna*, and *Maistra*, were privatized. The focus of the tourism sector in Poreč was on modernization and a quality upgrade of the existing tourism facilities. The Istria county spatial plan, developed in 2002 and particularly tailored for Istria taking into account all the nuances of heritage, landscape, urbanization and regional specificities, was the first regional plan adopted since Croatia transitioned to a market economy. It focused on fostering long-term development through environmental protection, further decentralization and the modernization of the industrial and service sectors.⁷⁴ Moreover, new plans were adopted to further define the development of tourism and its supporting areas within the previously urbanized areas, such as the 'Žatika – Veli Jože' and 'Saladinka – Sv. Martin' recreational and tourism zones. As a result, the total number of accommodation units during the 1990s and 2000s did not surpass the number planned and developed by 1985 (78,864).⁷⁵

⁷¹ Grad Makarska, Prostorni plan uređenja grada Makarske.

⁷² Grad Makarska, Prostorni plan uređenja grada Makarske.

⁷³ Ante Bajo, *Struktura zaposlenih u lokalnim jedinicama*, Povremeno Glasilo Instituta za Jayne Financije, July 2009, <http://www.ijf.hr/newsletter/43.pdf>.

⁷⁴ Županijski zavod za prostorne planiranje, *Prostorni plan Istarske županije*, Županije 2002.

⁷⁵ Hrvatin, *Urbanistički pokazatelji izgradnje turističkih zona*.

Table 5: Tourism indicators in Makarska and Poreč in 2017. Source: The information is available on the e-Visitor portal, cf. <http://www.evisitor.hr>. However, full access requires registration.

	Type of object	Overnight stays	Arrivals	No. of objects	No. of beds
Makarska	Hotels	453,469	83,355	20	3,356
Poreč		1,927,533	380,870	36	12,024
Makarska	Camps	41,043	10,143	3	921
Poreč		316,620	29,313	2	3,645
Makarska	Non-commercial accommodation	26,984	2,257	313	1,704
Poreč		193,124	8,274	1,732	7,165
Makarska	Rural tourism	-	-	-	-
Poreč		1,844	276	1	20
Makarska	Private accommodation	908,143	136,792	2,016	13,770
Poreč		777,490	117,376	1,895	10,573
Makarska	Other	102,697	15,093	39	800
Poreč		175,789	30,953	321	2,436
Makarska	Total	1,532,336	247,640	2,391	20,551
Poreč		3,392,400	567,062	3,987	35,863

Most recent data provides a telling comparison between the two cities. Poreč started modestly in comparison to Makarska, but has considerably outpaced Makarska in the total number of tourist beds. While Poreč has many more accommodation units (35,863) than Makarska (20,551), the quality of Poreč as a destination—in terms of attractions, amenities, accessibility and activities—is higher. The number of overnight stays in hotels alone is higher than the overall number of overnight stays in Makarska. This is an important indicator of the types of tourism developed in the two cities. Hotels are generally considered to contribute to the amenities of a destination: in comparison to privately-owned apartments, hotels tend to provide contents such as conferences and health and spa facilities, are better networked with global markets and as a result ensure higher occupancy rates.⁷⁶ The structure of overnight stays in Poreč and Makarska is therefore a good indicator of the differences between the two cities. Poreč has seen the limited construction of summer homes, while Makarska allowed a construction boom based primarily on this type of private accommodation. As a result of apartmentization, Makarska—

⁷⁶ Ministarstvo Turizma et al., *Ograničenja i ključni izazovi razvoja turizma u RH*. Glavni razvojni plan i strategija razvoja turizma Republike Hrvatske, Zagreb 2012; Turner / Freiermuth, *Travel & Tourism Global Economic Impact and Issues* 2017.

despite having fewer inhabitants—has more units in private accommodation (13,770 apartments) than Poreč (10,573 apartments) (Table 5).

As mentioned earlier, public facilities and communal infrastructure are largely funded by the *paušal*, the annual tax charged per tourist bed. However, municipalities are hesitant to raise the tax as apartment owners are also voters. Both Makarska and Poreč charge the same annual tax per bed of 50 euros.⁷⁷ However, as Poreč earns more from hotels where each overnight stay is individually taxed, more funding is available for public facilities.

The changes in tourism trends, including the individualization of traveling and the diversification of travel opportunities for the citizens of former socialist eastern Europe, undeniably have affected tourism development on the Croatian Adriatic coast. However, the comparison between Poreč and Makarska suggests that the differences identified between the two cities can be explained as an interactive effect of the transition to a market economy, the opening of borders, and the differences in administrative and spatial planning expertise which were substantially conditioned by the ways in which tourism urbanization was managed during transition.

We argue that during socialism Istria developed regional spatial planning expertise, while Makarska did not. While the latter did represent an example of successful spatial planning and environmental preservation during socialism, all initiatives were developed in the central urbanism office in Zagreb rather than locally. After the political changes, political and administrative officials in Istria managed to control developments and continued to pay attention to sustainable policies, be it in relation to private apartments or when it came to protecting the environment.

In Makarska, the same did not happen. Transition to a market economy coincided with war and deindustrialization. As economic opportunities for development became scarcer in other sectors of the economy, the urbanization of land and ensuing apartmentization were welcomed as a source of easy income. Not only was the administrative expertise needed to manage tourism urbanization lacking on the local level, a comprehensive vision of development which would ensure that tourism contributed to overall societal goals was also absent on the national level.

⁷⁷ U Poreču se neće povećavati paušalni porez za iznajmljivače, *Istarski.hr*, 31 January 2019, <https://istarski.hr/node/54471-u-porecu-se-nece-povecavati-pausalni-porez-za-iznajmljivace>; Jasna Morović, Makarski gradski vijećnici odlučili. Paušalni porez po krevetu u Makarskoj 300 kuna, u Velikom Brdu 210 kuna, *Makarsko Primorje*, 29 January 2019, <http://www.makarsko-primorje.com/?p=128607>.

Conclusion

Socialist planning in Yugoslavia, and thereby in Croatia, ensured controlled tourism urbanization by taking into account the overall tourism demand, regional specificities, as well as environmental protection. Focusing on the comparison between Makarska and Poreč, we have shown that after the demise of the socialist state, the lack of both spatial planning expertise generally, and long-term oriented spatial planning in particular, led to the fast consumption of valuable coastal land. During the late 1950s and in particular the 1960s, awareness grew in Yugoslavia of the necessity to protect the available space from fast and improvised tourism urbanization in the face of mass tourism. From the initial local level, measures to develop and protect these resources were gradually broadened to include regional plans that encompassed the islands, the coastal belt, and the hinterlands. This included the implementation of appropriate legislation that adapted the tourism and spatial planning goals to broader social interests.

The transition to a market economy that began in the 1990s led to a change in the ownership of resources and the structure of investment incentives. The prime change concerned the relationship towards property, and this in turn influenced the goals of spatial planning and tourism. These goals now responded to free market mechanisms, with the result that broader social aspects were neglected. Tourism planning structures were decentralized, and both newly established municipalities and private sector actors were now in charge of tourism development. The existing tourism companies were privatized, and private interest overshadowed public concerns. Frequent legislative changes were adopted without intersectoral cooperation, and the consequences of privatization as well as of poor administrative resources and knowledge were quickly felt. As a result, spatial planning and urbanization patterns started to reflect short-term, particular interests. Any suitable taxation system that would have helped to fill municipal budgets was largely missing, so that public interests such as communal infrastructure and recreational areas were neglected, while the development of private apartments flourished. Soon, the previously well-preserved Croatian coast displayed the characteristics of urban sprawl and linear coastal urbanization.

During the Croatian War of Independence, many tourism facilities in the southern Adriatic were neglected and to an extent destroyed. In addition, poorly implemented privatization as well as deindustrialization led to a drop in competitiveness and the loss of the spatial planning standards that had been achieved. Also, the lack of opportunities for development in other economic sectors contributed to the loss of long-term and public interest perspectives in spatial planning and supported the uncontrolled development of pri-

vate apartments. Much of the construction in this phase was illegal or at least not carried out in accordance with best practice principles. Not only was public interest disregarded, but such basic things as the height, dimensions, size, and shape of buildings received no attention. Makarska was in the midst of these developments.

Contrary to this more general development, the Istrian peninsula was not directly affected by the war of the 1990s even though the tourism sector suffered here, too. However, many of the existing facilities were preserved and with the introduction of the market economy the fact that local structures of tourism administration had been developed proved to be a great advantage. Istria continued to focus on long-term development and environmental preservation. The emphasis was thus placed on the renewal and upgrading of existing accommodation and on controls to prevent the excessive development of private apartments.

More recent global changes in the tourism industry and the resulting shifts in tourism demand may potentially affect tourism and land use in Croatia, too. While outside the scope of this paper, it would be useful to investigate further whether and how the increased individuality and mobility of tourists, as well as the digitalization of the tourism offer, are transforming the Croatian coast, including the apartmentization trend endured by the Croatian Adriatic coastline.

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