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# CONCLUSIONS AND RECOMMENDATIONS



## 1. Types of dwellings

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The compound: temporary residence, in this study includes more groups of housing structures. The root of their difference is in the statistical census classification of the population and dwellings. Hence, „temporary” housing structures include: **temporarily inhabited dwellings; abandoned dwellings; dwellings for vacation and recreation; dwellings only for performing an activity; tourist structures.** The common feature which allows them to be conceived as a homogeneous whole can be determined **negatively**. Accordingly, these are housing structures **where there is no continual/regular residence**. On the other hand, these types of structures are „consumers” of space just like housing structures for regular residence. Thus, on this basis, it is possible to explain the **wider meaning** of the compound: temporary residence.

Analysis shows that the mentioned groups differ in important ways.

(a) **Abandoned dwellings** are, according to size, a marginal group that include 2.3% of national housing. As a rule, they are dwellings that were abandoned during the war or as a consequence of emigration from abandoned areas. Their renewal, therefore, rationally fits in with renewal of war-affected areas or in the renewal of abandoned Croatian regions.

(b) **Temporarily inhabited dwellings** are a group that includes 10.5% of national housing. However, this is a **heterogeneous** group that includes: dwellings that have not been moved into; dwellings without residents as a result of building work; dwellings without residents because they are being sold; „other” dwellings **in the same settlement** that are not used or rented out. It is evident that dwellings for permanent residence that are being adapted and dwellings for permanent residence that are being sold as well as **dwellings for vacation and recreation, but in the same settlement** can be included in this group. For

this reason, we do not rely on this group of dwellings as a reliable group of housing structures for temporary residence. This group is, on the contrary, a statistical artefact.

(c) **Dwellings only for performing an activity**, essentially, are not dwellings for temporary residence but are constantly used for other purposes. They make up 1.4% of national housing. Their number mainly shows, in the main, the transferral of different activities to housing structures that were not originally planned for this purpose. Thus, they are not relevant in this research.

(d) **Tourist structures** are, of course, accommodation structures that are used temporarily. However, their temporary use is organised as a specific service industry, where accommodation is incorporated into a wider entrepreneurial framework of hospitality and tourist travel. Comfortable but occasional/temporary residence is only a component of a more complete service. There are approximately 900 of these structures (apartments, hotels, camps, motels, resorts) throughout Croatian territory. There are 403,543 beds in them. Of course, the tourist industry is a very strong consumer of space. Thus, for this reason it is an independent source of danger in terms of „concretisation”.

The presence of tourist structures directly stimulates the construction of other housing structures for temporary residence, especially dwellings for holidays. Two initiatives are more accentuated than others. First, the presence of tourist structures, as a rule, has an impact on the wider local area in terms of better infrastructure, which in turn makes it more attractive to builders of holiday dwellings. Second, tourist structures are a source of tourist attraction and facilitate the creation of a local tourist market. For this reason, builders that formally build holiday houses (that are in actuality, housing structures for renting out to tourists) appear in the same areas. Hence, even though tourist structures are not, in the strictest sense of the word, structures for accommodation only, they cannot be analytically separated from the construction of conventional constructions for temporary residence. Nevertheless, they evidently cannot be equated to it either.

(e) **Dwellings for vacation and recreation**. There are 190,931 units of this type in this group. This group includes 10.2% of national housing (there are 1,877,126 units in total). The social root of this building initiative is not unique, inasmuch as the heading per se suggests. In essence, this label only determines that this is a housing unit where residence is not permanent. In addition, there are no other activities in this dwelling and **it is located in**

**another settlement.** The general notion: holiday makes it adequate to select all these units into one group. However, analysis shows that actual building initiatives are more diversified. Among them, for example, the following are very important: earnings from renting out to tourists; the renewal of family heritage; savings from investment in real estate; planning for the „third age”, when the builder intends to „leave”; the development of other activities (in work on the side or in the form of family entrepreneurship). It is unquestionable that the idealisation of housing autonomy that is indicated in the compound: holiday house is an important initiative. This is about strong value system that was especially important in industrialism, as a foothold of an alternative way of life, even though reduced only to an occasional/temporary period. However, analysis shows that it **cannot** be practically separated from other mentioned initiatives.

In comparison to other, previously mentioned groups, this group of housing structures that are temporarily used is adequately homogeneous according to classification criteria and its statistical name: dwellings for vacation and recreation. As indicated, they do not precisely reveal the social and value base of their origin. It would certainly be clearer to call them **second flats/homes in another settlement** (secondary residence). In this case, **another flat in the first/permanent settlement of living** is structurally symmetrical to the aforementioned; „hidden” in the group: temporarily inhabited dwellings.

This sketched outline shows that an „authentic” group of flats/houses for temporary residence is at work. The size and features of these groups determine a **narrower meaning** of the compound: temporary residence. This group of units is the actual focus of analysis in this research.

## 2. Territorial distribution

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The **territorial distribution** of dwellings for vacation and recreation shows that they can be found in all areas of national territory. However, it is evident how a convincingly larger number of these units are along the **Adriatic front**. There is an especially large concentration in the County of Primorje-Gorski kotar (28,419 units); the County of Zadar (25,485 units); and the County of Split-Dalmatia (23,143 units). Most dwellings for vacation and recreation can be found along the coastline and along an adjacent narrow strip since the urban transformation process of the Croatian Adriatic coast is particularly concentrated in these areas.

The number of dwellings for vacation and recreation is less in Croatian **continental** areas. However, it is evident that this process has intensified so much in some continental areas that it is reasonable to compare it to the transformation process that is taking place along the Croatian Adriatic coast. The largest number of units is in the County of Zagreb (17,369 units) and the County of Krapina-Zagorje (10,249).

The construction of dwellings for vacation and recreation, as a way of taking up space, is **minor** in: the County of Požega-Slavonia (452 units); the County of Vukovar-Sirmium (1,187 units); the County of Virovitica-Podravina (683 units); and the County of Slavonski Brod-Posavina (1,194 units).

Builders of dwellings for vacation and recreation are certainly more attracted to **smaller settlements**. However, it would be misleading to conclude that there are no dwellings for vacation and recreation in **larger towns**. For example, there are 4,944 dwellings for vacation and recreation in the City of Zagreb. Larger and big towns are not only work areas but also multi-type sources of experience and attraction. For this reason, it is necessary to take into account that builders and investors that focus their attention on dwellings for vacation and recreation work in larger towns as well.

### 3. Typologies and classification

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**The basic classification** of dwellings for vacation and recreation has to be of two different kinds. The first classification scheme shows **how settlements are shaped** as a result of dwellings built for vacation and recreation. The second classification shows **how building structures are shaped** through this type of building.

Settlement classification shows that it is necessary to differentiate formations that were shaped regardless of ideas about the settlement as a mechanical formation, and those that were directly influenced by ideas for the settlement regardless of the number of dwellings for vacation and recreation in the settlement.

We can differentiate three types of mechanical (unsettled) formations.

**Dotted configuration** or „nebula” is a formation that starts off with a concentration of dwellings for vacation and recreation. This is visible in Gorski Kotar, Velebit, Hrvatsko Zagorje, and Požeška kotlina.

**Chaotic agglomeration** is a formation with a pronon-

unced number and concentration of dwellings for vacation and recreation. The superiority of private builders and blocks of land are monopolistic in these cases. They are especially visible in coastal areas on the island of Vir and around the settlements Vodice, Rogoznica, Peroj, Umag, Novigrad (Zadar), Pirovac, Selina, Ugljan (and others). **A corridor or straight line** reminds one of a village street lined with houses on either side, but with a greater deal of disarray. The most well-known are on the island of Kornati, in Velebit Littoral, Makarska Littoral, etc. Traces of a corridor are also visible in Hrvatsko Zagorje.

**Settlements where structures „for a holiday” as well as builders are present can be divided into five basic types**, depending on what share of housing in the settlement is used temporarily.

In the first type of settlement, **dwellings for vacation and recreation are of a marginal influence**. Their composition comprises up to 20% of housing structures that are used temporarily. As a rule, these types of settlements have more than 300 dwellings (for example, Poreč, Rovinj, Opatija, Mali Lošinj, Biograd na Moru). Big and larger towns need to be included in this group.

In the second type of settlement, dwellings for vacation and recreation are **of a moderate influence** (20.1 - 40%). There are a number of small towns in this group (for example, Crikvenica, Vrsar, Nin, Hvar); the more important settlements on islands (for example, Vis, Vrbnik, Cres, Novalja, Vela Luka); as well as outlying housing development with a „mixed” ambience (for example, Bibinje, Pakoštane, Barbat, Sukošan, Brodarica).

In the third type of settlement, dwellings for vacation and recreation are a **strong factor of transformation** (40.1 – 60%). Small and smaller towns are in this group (Malinska, Karlobag, Primošten, Novi Vinodolski, etc.) as well as villages, especially villages along the coast (Tribunj, Kruševo, Petrčani, Tisno, Tribunj, etc.).

In the fourth type of settlement, dwellings for vacation and recreation are the **main factor of transformation** (60.1% - 80%). They are mainly transitional, mixed settlements (for example, Peroj, Milčetići, Klenovica, Nerezine, Zlarin, Pisak, Stomorska, etc.).

In the fifth type of settlement dwellings for vacation and recreation are the **monopolistic factor of transformation** (80.1 – 100%). Former villages, newly planned settlements, illegal settlements, and renewed previously abandoned settlements are in this group (for example, Mi-holašćica, Stinica, Cesarica, Červar, Gajac, Maređa, Vir).

Four basic types can be differentiated on a **morphological scale**.

**The first type** is a structure **with an emphasised economic core**, and marginal living rooms (vineyard cottages, cellars, fishing storerooms in Kornati).

**The second type** is the most frequent. This is a single family house. In approximately 10% of cases this is a reconstruction of (family) heritage. The others are newly built.

**The third type** is a unit-based flat.

**The fourth type** is a multi-housing „collective”, either family-owned or with more owners. The largest part of this type of „collective” (with apartments) can be found in the Counties of Istria, Primorje-Gorski kotar and Lika-Senj.

#### 4. Public utilities

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**Data analysis on the public utilities** of dwellings for vacation and recreation show that **at a national level** they are **less** equipped than dwellings for permanent residence. They are inferior with respect to the auxiliary spaces of a dwelling (kitchen, toilet, and bathroom). However, a differentiated territorial analysis shows that **in areas of Adriatic counties** the difference between dwellings for permanent residence and temporary residence in terms of public utilities is **minor**. In other words, dwellings for vacation and recreation in areas of Adriatic counties, according to the standard of public utilities **do not greatly differ** from dwellings for permanent residence. On the contrary, the difference is significant in continental areas. In these areas, dwellings for vacation and recreation markedly differ from dwellings for permanent residence in terms of public utilities: they are visibly less equipped than dwellings for permanent residence. For this reason, the total national picture shows that dwellings for vacation and recreation are less equipped. Thus, if the criteria of public utilities are used, it is plausible to differentiate between two groups of dwellings for vacation and recreation: **the Adriatic group**, where dwellings for vacation and recreation do not differ from dwellings for permanent residences in terms of public utilities and home facilities; and **the continental group**, that has considerably inferior public utilities and home facilities than dwellings for permanent residences.

The sketched division of data corresponds with the previously described scheme of territorial distribution of dwellings for vacation and recreation. It was seen that they are more numerous in the areas of Adriatic counties. The data shows that their construction is strongly linked to the



dynamics of the settlement. Still, where construction is not oriented by an idea about the settlement, inter-settlement chaotic agglomeration is most common. Public interest is mainly marginal with regard to the distribution of space in them. However, on the other hand, the accessibility of public utility networks has remained closely equal to what is available in the settlement. Thus, the quality of facilities is mainly at the same level. Larger differences between groups of dwellings in particular territorial parts are more evident. The best equipped dwellings can be found along the beach (approx. 1 km) regardless of whether they are for permanent or temporary residence. The further one goes into the continental parts it is more likely that dwellings will have poorer facilities regardless of whether they are for permanent or temporary residence. In short, the division according to the scheme: centre-periphery more directly exposes the basic difference between dwellings with respect to their public utilities/facilities in the areas of Adriatic counties than the division according to the scheme: permanent – temporary residence. (Of course, centre here refers to coastal line area). These two schemes interweave in many ways in the continental area such that there is a more distinct difference with respect to the quality of public utilities between dwellings for permanent and temporary residence.

In addition, analyses show that **a special public utility policy was not applied to dwellings for vacation and recreation** that was different from public utility policy for dwellings for permanent residence in areas of Adriatic counties (like nowhere else in Croatia). Local plans and public utility models for dwellings for vacation and recreation hold a **conventional component** of local housing. For this reason, special conditions and funds for their equipping have not been developed. Moreover, appreciation of their role in local reality has not been fully realised. On the other hand, the multiplication of dwellings for vacation and recreation repetitively increases the users' pressure in public utility networks, ranging from local road networks to sewerage or waterworks. Local self-government, as a rule, uses these overloads as evidence of general local negligence and seeks developmental support and subventions at the county or national level. In this way, holiday dwellers **are drawn into the structural component** of local public interests, even though this can only happen in special circumstances; since local public interest can only authentically define the local community of **permanent** residents.

## 5. Owners of dwellings for vacation and recreation

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### **Data on the owners of dwellings for vacation and recreation have not been systematically organised.**

There is not a more fixed link between dwellings for vacation and recreation and features of their owners according to the schematism that is used in the national census of the population and dwellings. Nevertheless, the Tax office provides an „alternative” source of data. However, it seems that there is no unique database on the owners of dwellings for vacation and recreation. In addition, data is not publicly available due to the protection of personal data by law. In short, „hard” statistical documentation on the owners of dwellings for vacation and recreation suitable for analysis and accessible to the public is **not available**. On the other hand, due to the number of dwellings for vacation and recreation and since their owners directly influence local interests in many settlements it would be more than useful to have this sort of documentation.

Data obtained from a (suitable) sample show that owners of dwellings for vacation and recreation are predominately born in Croatia (88%) and that they have permanent residence in Croatia (86%). Their level of education is above average: more than half completed college or university. According to their neighbours who live in dwellings for permanent residence, they are **richer** than the permanent residents of the settlement where they have a dwelling for vacation and recreation. They also have more social influence (or at least the same influence as permanent residents). Most of them are permanently employed while pensioners are a convincing minority.

It is also evident that more than half of the surveyed owners of dwellings for vacation and recreation (57%) state that they have **more than one dwelling for temporary use**. These are predominately dwellings in Croatian towns, while a minority, not more than 7%, state that they have a dwelling abroad.

The presented data, in any case, is of limited quality. For a reliable analysis of types and features of owners, **it is necessary** at the national level to form a reliable documentary database. Practice has shown that the establishment of a **basic register** is the most effective.

## 6. Evaluations of the town inhabitants

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**The evaluations of permanent residents, members of local communities** in settlements where there are structures for temporary residence, show that the respondents

state that these structures **significantly changed** their settlements. A minority state that there were no changes. In short, the building of dwellings for vacation and recreation was a strong factor of local transformation. According to the surveyed, built dwellings are similar to the dwellings of permanent residents or they are **larger, better built and nicer**. A smaller number of respondents maintain that the new dwellings have made the settlement uglier or worsened opportunities in the settlement. However, the same process that is also connected to the settlement has had a **negative** influence on the quality of the environment in the settlement, the traditional way of life as well as the physical appearance of the settlement as a whole.

Yet despite this, the surveyed local population do not experience this process as conflicting. Clearly, settlements expand, enlarge and their social capital becomes stronger thanks to the building of dwellings for vacation and recreation. In this way, at least in principle, the possibilities of influencing policies related to public utilities, welfare for life conditions and the other components of everyday life increase.

The surveyed emphasise two features of new temporary residents/owners in particular: **wealth and self-interest**, or more precisely, a strong concern for their own interests in the settlement. However, although this indicates their social influence and entrepreneurial inclinations it also suggests that they bring measures and customs that threaten local tradition. However, as a whole, the local community does not experience new temporary residents/owners in a conflicting way. They recognise the presence of new groups and convey the features that differ. Correspondingly, they form relations of practical value with the members of these groups. In essence, the local population considers that this group were attracted by the natural environment, especially the **sea** and the **tourist market**.

Accordingly, respondents assess that dwelling owners, land brokers, and builders received the greatest advantages from settlement expansion through the building of dwellings for vacation and recreation. They claim that the settlement and its inhabitants had the **least advantage**. The local government is between these two groups of winners and losers. It is not a pronounced winner, but it is not a loser either, like the settlement and its permanent residents.

According to their evaluations, the respondents are divided with respect to further local policies towards dwellings for vacation and recreation. The majority group (44.5% of permanent residents) state that further building of these dwellings in the settlement **should be banned**. In

contrast, 21.1% assert that further building of dwellings for vacation and recreation should be allowed.

20.9% of the respondents affirm that the building of these dwellings should be allowed but **under certain conditions**. Although most of the respondents do not precisely establish these conditions, the following are mentioned: **building according to zoning plans, sensitivity towards the natural environment; harmony with the traditional local architecture; building further away from the beach; and the building of smaller buildings**. In other words, respondents state the need for appropriate legal regulation and supervision as well as the need for builders to be oriented by values that maintain and affirm the quality of the local environment and the local cultural identity.

In principle, ecological and cultural considerations as well as the need for town-planning and regulation are expressed with regard to further development of the tourist zone.

The standpoint towards building apartments is similar to the standpoint towards building dwellings for vacation and recreation. However, it is evident that most of the respondents agree that apartments **should not be built in zones of permanent residence**.

## 7. Attitudes of the local high-ranking officials

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Almost half of the surveyed **local self-government officials** evaluate that dwellings for vacation and recreation and their owners have positively influenced local development in settlements where they are built. Contrastingly, the other half claims that this influence has been negative. In short, local self-government officials do not have a sole and strong viewpoint on the influence and effects on local development that has been shaped by builders and dwellings for vacation and recreation. The list of objections that are frequently mentioned includes four important ones. The respondents complain that owners of dwellings for vacation and recreation are the **main local organisers of 'illegal' tourism**. The second complaint is that owners of dwellings for vacation and recreation **only** take into account **their own interests**, not the interests of the settlement. This is related to the criticism that it is this group that avoids paying local taxes more than others. The third complaint is that the accumulation of dwellings for vacation and recreation in the settlement creates **a largely „dead” structure** that is difficult to maintain because

they do not have permanent residents and further this is a source of particular pressure on the infrastructure. The fourth complaint is that these new structures **change the settlement and displace their original local features** in the long-term.

Correspondingly, responses to the question: are there too many or too few dwellings for vacation and recreation in the settlement were as follows. A striking minority assessed that there are too few. In contrast, most stated **that there are too many**. A smaller number, but also a considerable group, assessed that there are **as many as there should be**.

According to local self-government officials **future policies** of local self-government towards dwellings for vacation and recreation should be more firmly oriented towards the following: (i) The formulation of special tax policies towards dwellings for vacation and recreation; these policies should be developed for owners/foreign citizens. (ii) The supremacy of protected areas needs to be established and zones for building need to be decreased in regional-planning. (iii) The issuance of building licences should be tightened as well as supervision of building. (iv) Places of priority for building new dwellings for vacation and recreation should be old settlements and abandoned settlements. (v) The size of the dwelling should be limited.

In this way, according to the respondents, the interests of local communities as well as the interests of the builders and owners of dwellings for vacation and recreation would be more successfully met. The stance towards future tourist structures and zones is similar. Most of the respondents claim that they should be built, but in a scheme of planning and supervision that would not allow their transformation into new sources of risks and destruction of the environment and local heritage.

The presented data shows that (more) local self-government officials **doubt that the construction of dwellings for vacation and recreation is an efficient means of alleviating local developmental hardships**. The attempt to lighten local developmental hardships by relying on a new sized settlement created through mechanical expansion with the help of new builders and owners of dwellings for vacation and recreation (prevalent in the socialist period, and afterwards as well) has been **largely exhausted**. This was indicated by the respondents from local populations. The responses of local self-government officials were, in this sense, much clearer. Fundamental ecological values and local identity have been threatened in many

settlements due to dwellings for vacation and recreation. In addition, it is apparent that the local population has received disloyal competition in the form of owners of dwellings for vacation and recreation in the local tourist market. For this reason, (and the aforementioned data on the attitudes of the local inhabitants also indicates this) new local policies towards building dwellings for vacation and recreation and other structures that are used temporarily is **necessary**. Hence, there must be visible explicit concord between the respondents grounded on secure protection of natural and cultural values of the local population, on efficient supervision of building practices and specially devised taxation practices.

## 8. Evaluations of youth

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The young local population has similar attitudes towards owners of dwellings for vacation and recreation as those obtained from the local adult population and local self-government officials. According to the young local population, temporary residents mostly influence local policies and life in coastal settlements **in a negative way**. Positive influences are evidently minor. The most frequent positive effect that they mention from temporary residents for the local population is financial. The following are mentioned in the group of most negative effects: unsuitable building; pollution; summer crowds; tendency to break local rules and regulations, and „illegal” tourism (that is, illegally renting out houses and rooms to tourists).

These respondents claim that the summer cycle of local life is more attractive when compared to the winter cycle. Within the framework of summer tourism, they feel better and they claim that there are more incentives and possibilities. Even though temporary residents are also more active and present in local events during this period, sometimes with important roles, this apparently does not improve this population's assessments of temporary residents. It is not incorrect to assert that attitudes towards owners of dwellings for vacation and recreation are evidently **consistent** between youth, the adult population and local self-government officials in local communities at a structural level. Their favourable role, even though limited, in overcoming local developmental hardships is recognised. However, this local „benefit” is completely surpassed by the narrative consequences that owners of dwellings for vacation and recreation bring about in the local order. Thus, as mentioned before, the local commu-

nity searches/aspires for a considerably different pattern of management and supervision for the building of housing structures that are used temporarily in their own territories.

## 9. Attitudes of owners of dwellings for vacation and recreation

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As expected, **owners of dwellings for vacation and recreation** differ in their attitudes from the abovementioned respondents. The first visible difference is in their assessment of the number of dwellings for vacation and recreation in the local community. More than half of the permanent residents that participated in the survey (53.8%) state that there are too many dwellings for vacation and recreation. In comparison, **there are considerably less temporary residents in this group: 37.2%**. (The percentage difference is 16.6%). This finding already implies how the temporary residents' relation towards dwellings for vacation and recreation and other structures for temporary residence is not that decisive and is not imbued with negative determinants like the permanent residents' relation.

A similar difference can be seen in the distribution of responses to questions about the prohibition of further building of dwellings for vacation and recreation in the local area where they live. A tendency towards prohibition is evident among 44.5% of the permanent residents. However, only 26.4% of the temporary residents (that is, 18.1% **less**) are in favour of prohibition. The groups that claim that further building should be allowed but under certain conditions are almost the same (20.9% and 23.2%). The share of respondents that were not able to respond to this question is also almost equal (13.5% and 13.6%). However, there were differences between the groups of permanent and temporary residents with regard to whether building should continue without special restrictions. 21.1% of the permanent residents were in favour of this while this percentage rose to 36.8% among temporary residents. In short, the owners of dwellings for vacation and recreation **are considerably more inclined** to support building and developmental opportunities as they exist in local communities.

It seems that this difference does not extend to attitudes towards further building of tourist structures. It is only discernible that temporary residents are **less inclined** to emphasise restrictive demands. Temporary residents are less in favour of promulgating demands for prohibition or restriction compared to permanent residents.



However, this difference is clearly shown in relations towards the further building of apartments. 33.3% of the temporary residents that were surveyed emphasise that this type of building should be generally prohibited in zones for permanent residence. In comparison, the share of permanent residents that hold this opinion is 46.4% showing that the share of temporary residents is **considerably less**. On the other hand, it is evident that a larger percentage of temporary residents are in favour of this type of building in zones exclusively for residence (23.2% compared to 16.4%). Still, there are no differences between permanent and temporary residents in their assessment of the offered, remaining possibilities.

Analytical data shows that the temporary residents identify less with local traditions, ecological and cultural values and patterns of local identity. On the other hand, they point out the importance of practical initiatives to improve opportunities in the local area as well as the importance of satisfying individual interests. On this basis, generally considered, a **weaker sensitivity** to disorders, especially the long-term type in the local community is shaped. Accordingly, they are not inclined to dramatise the further building of structures for temporary use or the increase in number of temporary residents in local communities along the coast. The basis of their quite individualised interest only roughly takes into account changes in the local community or in the management of public assets. Of course, this pattern of assessment and behaviour is not shaped in a conflicting way. However, it is evident that, in the search for necessary changes in local development as well as new relations towards the building of structures for temporary use, the local community will not have the unique support of temporary residents. Instead, only a **minority** group that is more sensitive to the values and special qualities of local communities will give its support.

## 10. Economic aspects

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The economic aspects of building dwellings for vacation and recreation after 1990 cannot be separated from the **real estate market**. Even though, of course, in the socialist period, land and dwellings were sold, an organised real estate market or specific institutional mechanisms did not exist. In addition, an international framework for the real estate market that has been shaped since the nineties in Croatia did not exist. The value of real estate can be



defined as the **present value of all future benefits (from immovable assets)**. Thanks to this, the building of dwellings for vacation and recreation since the nineties has entered a new economic context. The initial aims of the builders, how buildings are different, the desired related values, place of living, renting out to tourists, saving, planning for the third age and related are accompanied by a new one – the market. Accordingly, the aim of building does not necessarily have to be for one particular purpose that the builder has in mind, but rather **the building of assets that will successfully compete on the real estate market**. This type of aim implies that the builder does not intend to stay at all for a longer period in particular local communities. The builder's interests are limited to the favourable assessments of particular market factors that operate in certain periods. In essence, a local relation does not need to be created, as in the socialist period, between the builder and the local community.

On the other hand, the main rules of action and approach in the management of local assets, in regional planning and institutional supervision of building **remained trapped by legal and institutional culture**. In this framework, the local community succeeded using a number of legal and political ambiguities to orient the processes of building dwellings for vacation and recreation and other structures for temporary use as **a form of developmental compensation** for the developmental decline of the local community, the loss of vital population, the infrastructural abandonment of villages and smaller town settlements, etc. Moreover, the already mentioned survey data shows that the respondents refer to the importance of temporary residents as a factor of local development. For this reason, the **position of the local community and the heterogeneous processes of its developmental deterioration is the main reason for mass and weakly supervised building of dwellings for vacation and recreation and other structures for temporary use**. The continued accumulation of such consequences, decades-long processes, at the end of the nineties has shown that this process **is not efficient in its main task at all**: the curbing of developmental lagging of the local community, as well as how building has threatened spatial, ecological and cultural values as well as a number of determinants of local identity.

A strengthened real estate market and implied market rationality in the nineties and at the turn of the century evolved into a **strong threat to national space** and a powerful source of danger from its devastation.

The available data shows that the direct effects of real estate market formation are still being shaped. The reasons for this are multiple and surpass the framework of this analysis. However, it is useful to note that as a result it is **still possible** to shape successful mechanisms of supervision and protection so that changes that bring about the stability of the real estate market are positively linked to the objectives of local development. The main mechanisms lie in areas that have already been mentioned by surveyed participants of local development. More groups of new approaches from regional planning to tax policies as well as institutional rationality that is directly related to the aims of local development are at work. However, the main group that influences their realisation, needs to be repeated --- **the permanent population.**

## 11. Historical analysis

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Historical analysis shows that practices and types of structures in temporary residence need to be, first of all, linked to the socialist period. The length of this period is important per se. In addition, a list of factors without which the processes of building cannot be precisely interpreted were shaped and established back then. Two factors are especially important. The first can be seen in the superiority of a generalised developmental stance that emerged in the (obsolete) industrial sector. This advocates that space that society has at its disposal is in fact an **unlimited asset**. For this reason, it is not necessary to have special restrictive policies to guard its quality. The second can be seen in the new risky position that local communities outside of larger towns have found themselves in, i.e., preference for socialist urbanisation/industrialisation. On the basis of the first stance, a diversified practice of ecological insensitivity was shaped that was often quite insensitive towards the special assets of nature along the coastline. On the basis of the second factor, a specific developmental behaviour of local communities threatened by a general course of social transformation was shaped. The attraction of temporary residents and the mechanical enlargement of housing have an important role in this. The aim of both is the alleviation of emerging developmental weaknesses and the creation of compensation for the lost local possibilities.

In this context, different building initiatives are strengthened in which the aim of building a second house/flat is denoted by: dwellings for vacation and recreation. The

development of tourism facilitates many builders to step over boundaries of building that are motivated by special alternative values (authenticity, naturalness and related values) and to link building with benefits of the tourist industry, first of all, with the advantages of renting out to tourists. Consequently, Croatian economic emigrants employed in what were then Western European countries also became engaged in the building of dwellings for vacation and recreation in the eighties.

These basic tendencies continued in the nineties after the fall of socialism. Even though this change in the model of social and political order provoked multiple consequences (an analysis which surpasses the framework of this study) one in particular needs to be mentioned. This is the **renewal of authority of the private owner and ownership**. Thanks to this, the already shaped and stabilised process of building dwellings for vacation and recreation could be continued with new dynamic and new demands towards space.

Two new tendencies can be observed in the same period.

The first tendency is evident in the development of special entrepreneurship, which focuses on the building and sale of dwellings for vacation and recreation. Thus, the building and exchange of dwellings for vacation and recreation begins to be structured as an **economic branch**. The second tendency is evident in the aspirations of many owners of dwellings for vacation and recreation to add another „alternative” address for a holiday in a larger/large town. In short, this tendency shows the inclination of owners to simultaneously own more „alternative” homes or structures for vacation and recreation. The bipolar model primary-secondary residence signifies transformation into a multiple-home, heterotopical model where the owner simultaneously uses a number of „alternative” addresses and - homes. This tendency has additionally strengthened the building and sale of dwellings for vacation and recreation as a special economic branch.

These new tendencies are also used by local communities, helpless without them to organise more successful forms of local development. However, at the same time (noted in the aforementioned analytical data) long-term continuity of such a process does not guarantee that the local community will preserve space and achieve those developmental aims for which local support for building dwellings for vacation and recreation was organised. For this reason, it is acceptable to affirm how the period of „idyllic” consent between builders of dwellings for vacation and recreation and the local authorities is ending (prolonged).

However, will and to what extent local communities will be successful in the regulation and the supervision of building dwellings for vacation and recreation **does not only depend upon them**. This depends **directly** on two **beyond local** conditions. The first condition is **institutional building** at all levels, **especially at the local level**. It cannot be expected that implementation of successful policies of space preservation and supervision in many developmentally abandoned local communities can take place while they are **institutionally invalid**, without the essential experts, funds and other necessary conditions of institutional efficiency. Self-government authorities and institutional performance of local communities have to be compatible.

The second condition is **the ability of the local community to shape a local sustainable model of development**. It is a fact that many local communities use the practice and policies of building dwellings for vacation and recreation as a strategic developmental means, threatening, as a rule, the basic natural and cultural assets. This shows that this ability is **very limited**. The shaping of a local sustainable model of development, in any case, implies that the central bearer of such development is the permanent population, that is the local community (included in the practice of creating and enriching local identity); those who have permanent addresses there or these places are the focus of their life initiatives. Obviously, in these types of models, policies for attracting builders of dwellings for vacation and recreation are used as a mechanism of alleviating developmental risks. However, this arrangement **loses its quality as a strategic means** and remains limited to a subsidiary role that is particular useful when a group of people with specific social capital need to be attracted. In other words, successful supervision and successful management of building dwellings for vacation and recreation as well as their limitation is directly linked to the ability of the local community for local sustainable development. Unsurprisingly, the enlargement of this ability is directly linked to the building of **national policy of developmental renewal of the Croatian periphery**. It has been known for a long time that this should be a national priority.

The first standpoint of town-planning experts is evident in the demand as well as in the appeal for fixed collaboration between the town-planning field and state politics. In this context, it is particularly important that town-planning practices and practices of space protection transdepartmentally „cut through” different special sectors of politics that particular ministries and administrations are responsible for. Since these facts are underestimated, many resource decisions are made without deeper insight into the consequences of this in social participants’ behaviour towards space. Hence, it is not incorrect to assert that one of the addresses where crisis is produced – is the network of management institutions. This is especially evident since many financial institutions and public utility companies support and equip builders regardless of whether or not their activity is in accordance with legal documents and regional plans and plans of protection. It is not incorrect to use these facts to argue that the management network does **not have political readiness** for limiting and supervising practices that threaten space and its values.

The building of dwellings for vacation and recreation is a „natural” process that is legitimately structured as a kind of economic branch. To question this fact is simply wrong. However, on the other hand, these practices compel national policy to construct different developmental strategies for the purpose of rational coordination of protective, market and social demands. In this context, it is especially important to build up the status of the Adriatic area as an area of **special national value**, where a **special supervision of national** institutions must be visible. Damage can be decreased while advantageous and desirable effects can be widened and increased in this context. It is especially important, according to the surveyed experts, in the context that was outlined in the previous section, to stimulate the **modernisation of a town-planning glossary**. They especially point out the need to differentiate the interests of the permanent population in the local area from the interests of different participants that are interested in pragmatic and short-term benefits and are not prepared to share obligations related to development like local developmental participants. In this sense, it is useful to differentiate and developmentally evaluate structures for permanent residence from housing structures for temporary use, with dwellings for vacation and recreation or apartments. It is especially important to develop a basic

cultural stance that **space is a limited asset** and for this reason it is not allowed/cannot be exposed to whimsical and short-term investment demands that are insensitive to consequences.

The sketched modernisation is compatible to, on the other hand, the modernisation of tax policies as well as policies of public utility. Since the building of housing structures for temporary use has been established as a kind of economic branch, there is a need for tax policies. In this context, it is emphasised that tax on the real market value of real estate could be a useful aid in current times.

It is equally important to sort out public utility policies. The model that is at work facilitates the definition of private builders' interests of dwellings for vacation and recreation as public interests. Accordingly, expenditures for public utilities are more economical. The core of the problem, on the contrary, is that private investors should cover the costs of regional-planning documents and public utility costs.

The mentioned and related suggestions of the surveyed experts, according to their evaluations are realisable if **subsidiary redistribution of authority and local community rights used in particular state services** are taken into account. It has been shown that a centralised system of management is often dysfunctional with regard to local events and opportunities. It has also been shown that the ability of many local communities to successfully use these types of services is very limited, if not inadequate. Thus, it is necessary to practice this type of transformation depending on the developmental possibilities of the local community and on a system of supervision where the status of space as an essential national asset is incontestable.