THE RECOVERY OF TOURISM IN SLOVENIA

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The European political map at the dawn of the 21st century is characterized by:

- emerging new nation-states (Estonia, Latvia, Lithuania, The Czech Republic, Slovakia, Slovenia, Croatia, Bosnia and Herzegovina, Macedonia, Serbia and Montenegro);
- self-proclaimed entities (The Republic of Northern Cyprus),
- entities constructed by the international community (the Federation of Bosnia and Herzegovina and the inter-entity division within)
- areas which have been placed under short (Albania, Macedonia) or long term international protectorate, or a form of it (Bosnia and Herzegovina, Kosovo);
- the strengthening of the Atlantic core region due to the unified currency (Euro), the enlargement of the Euro-Atlantic security area (NATO) and the enlargement of the nation-state federation of the European Union with new member states: Estonia, Latvia, Lithuania, Poland, The Czech Republic, Slovakia, Hungary, Slovenia, Malta and Cyprus.

Along with the political and economic disruptions, linked also to the fall of the Iron Curtain and the transition from communism to democracy, and from the socialist to market economy, the Southeastern Europe – including Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Macedonia, Romania, Serbia and Montenegro and Slovenia, as an entity of former Yugoslavia – experienced worst times in tourism industry's history ever.

As a destination, Southeastern Europe is and was lagging behind western destinations based on measurements of visitor arrivals, tourism amenities and receipts. With the exception of Ex-Yugoslavia, which was among the 10 most visited countries of the world in the 1980's, all other countries of the area, including Greece, can not be lined up along such giants as France, Spain or Italy. At this point we are not going

Table 1.: International Inbound Tourism – Number of Tourists (in 1000).

Country/Year	1967	1977	1987	1997	2002
Albania	–	–	–	28	49
Bosnia and Herzegovina	170	250	394	11	97
Bulgaria*	1783	4570	7594	1322	2560
Croatia	2083	3853	5621	4178	6544
Greece*	879	3961	7564	10070	14033
Macedonia	94	215	221	219	230
Romania*	1451	3685	5142	2957	3300
Slovenia	678	877	1137	616	1302
Serbia & Montenegro	718	1190	1272	156	560
Southeastern Europe	7856	18601	28945	16742	28675

* foreign citizens counted as tourists at border-posts in 1000 (all other countries count visitors as tourist as they spend one night in tourist amenities)

Source: *OMT Annuaire de Satitistique du Tourisme / WTO Yearbook of Tourism Statistics / OMT Annuario de Estadisticas del Tourismo, WTO Headquarter, Madrid, 1980, 1990, 1999, 2003; Statisticki godisnjak SFRJ (Statistical Yearbook of the SFR Yugoslavia), Belgrade, 1970.*

to question published hard data, statistics and the methodology being used. But it is worthwhile to mention that most countries of the region register tourists as such at border-posts, as they declare their intention accordingly. In the area of Ex-Yugoslavia, new nation-states follow the tradition of counting tourists as they registers at the first amenity (bed-nights).

In terms of visitor arrivals, several indicators give some insight into this region's current standings and trends. The former Yugoslav republics experienced extreme growth in the 1980's. In particular the Mediterranean part (Eastern Adriatic) the coasts of Slovenia, Croatia and Montenegro have experienced growth similar to Spain (Gosar 1989). Between 1991 and 1995, tourism collapsed completely. Ethnic violence and war have stopped most of international arrivals. What was one of the world leader as far as international tourism destinations is concerned, found in the late 1990's its tourist industry struggling. Where peace was established relatively soon, as in Slovenia, the present-day situation (arrivals and receipts) is finally comparable to the mid – 1980's, as close to 90% visits in the most prosperous year are registered. Their, In Slovenia, the past development is reconsidered, new goals are set and new tourism policies are implemented (Mihalič, Sirše).

Table 2: Southeastern Europe: Growth of International Tourism (in 1000).

Country/Year	Index 1977/1967	Index 1987/1977	Index 1997/1987	Index 2007/1997	2007*
Albania	–	–	–	151	74
Bosnia and Herzegovina	147	158	3	1322	146
Bulgaria	1783	4570	7594	1322	3840
Croatia	2083	3853	5621	4178	9816
Greece	879	3961	7564	10070	21050
Macedonia	94	215	221	219	531
Romania	1451	3685	5142	2957	4950
Slovenia	**678**	**877**	**1137**	**616**	**2929**
Serbia & Montenegro	718	1190	1272	156	1260
The Balkans	7856	18601	28945	16742	43013

* = related to WTO estimations.

The Case of Slovenia

Before the breakup of Yugoslavia, Slovenia's tourist economy played a major middle-man role in distributing visitors to the Adriatic. Slovenian based Ex-Yugoslavia's travel agencies, like KOMPAS, with its headquarters in Ljubljana, had in the 1980's a share of close to 43% of package tours and organized leisure stays in the Northern-Adriatic (Istrian Peninsula and the Kvarner Bay). With major links to the German tour-operators, like Neckermann, TUI and others, they succeeded in dominating the regional travel industry in its most vital part, namely, in the area where the Mediterranean meets the European population axis (50° N) at its shortest distance. In times of the young automobile society, as leisure travel by air was less then rare and overseas resort almost non-existent, the geopolitical locality close to the consumer population and, at the same time, on the edge of the western world was of an outstanding importance. Slovenia's travel agencies soon became major tour operators in the Eastern Mediterranean and in Central Europe. British and American markets responded enthusiastically as the bus tours offered included the Balkans, and its most diverse part Bosnia, the area of the former Habsburg Empire (Austria, Hungary, Czechoslovakia), as well as the Catholic, Orthodox and Muslim worlds (Italy, Bulgaria, Romania, Greece and Turkey) on both sides of the Iron curtain combined.

Figure 1: Shooting rapids on Soča River (photography Jurij Senegačnik).

Slovenian companies invested also, with profit in mind, into hotels, marinas and other infrastructure in several republics of the former federation. The famous pilgrimage town of Medjugorje in Bosnia and Herzegovina received unrestricted Slovenian support, as it developed its hotel/motel infrastructure. On Dubrovnik's major hotel area Lapad, the first hotel built in the early stage of modern tourism was a Slovenian development. No doubt, that Slovenia, the richest republic of the former multi-ethnic federation, discovered the significance of tourism for its own and Ex-Yugoslavia's national economy in its early stage. Being rarely a final tourist destination, Slovenia accommodated itself to the fact that visitors most often just crossed the area towards places in the Mediterranean. Slovenia had

Table 3.: Slovenia: Tourist Visits and Bed-Nights, 1965–2000.

Year	All visits (in 000)	No. visits (in 000) National	No. visits (in 000) Foreign	All bed-nights (in 000)	Bed-nights (in 000) National	Bed-nights (in 000) Foreign
1965		743	483		2.617	1.433
1970		973	807		2.529	2.301
1975		1.311	841		3.854	2.590
1980		1.509	869		4.976	2.795
1985		1.697	1.056		5.093	3.729
1990		1.442	1.095		4.283	3.673
1995		844	732		3.448	2.435
2000						

Source: *Letopis SR Slovenije (Yearbook of Statistical Data on Slovenia), Ljubljana, 1970–1998.*

around 10% of the visits/overnights in former Yugoslavia. In the 1970's foreign tourists visiting Slovenia spent 3.1 days in exploring Slovenia, whereas visits to the Croatian coastal communes were an average three-times longer (see above). Slovenia had, just before the breakup of Yugoslavia, close toa total of one hundred thousand beds but 89% of them were located in just 13 out of 66 Slovenian communes (Jeršič 1992). These were located along the major traffic and tourist transfer axis, which lead visitors from the Austrian border in the north to the border with Croatia in the south and constituted the backbone of the tourist industry within Slovenia in the years 1965–1991. In 1986, in the peak year of Slovene tourism (2.821.000 guests, 9.213,000 overnights) 1.051,000 foreign visitors visited Slovenia. Predominantly the Slovene Littoral (58%) was popular among foreign guests. Surely Slovenes could succeed in attracting more foreign guests into Slovene Alps or into spa-resorts, where the combined share of foreign visitors was close to 39%, if they would promote resources and offer appropriate recreation and accommodation facilities. A detailed survey of data in 1986 showed that out of 2.5 million tourist overnights in the Alps (27% of all) only one fourth were made in hotels, motels and boarding-houses (»penzioni«) (Gosar 1989).

The conflicts on the Balkan peninsula have had an effect on both accommodation capacity and the structure of visits to Slovenia (Table 5, 6, 7)! The tragedy of the war was, at the same time, an impulse and a start of a re-thinking process in the tourism economy of the nation. Statistical data show that the pre-war path in tourism has already been changed at several levels of the tourist industry. A reduction of available beds and the increase of quality of tourist amenities was set in 1993 already. Several new resources, in particular spas, gambling and diverse rural establishments (Barbič 1995; Drozg 1993), have increased the mosaic of Slovenia's tourist amenities at the end of the 1980's. The necessity for the change in the tourism policy resulted mainly from the new geopolitical reality in the region!

Table 4.: Slovenia: Accommodation Type and Occupancy.

Year	Accommodation All	Accommodation in Hotels	Yearly Occupancy All	Yearly Occupancy in Hotels
1965	42,546	16,349	26%	43%
1970	69,819	30,633	21%	44%
1975	67,437	30,080	26%	46%
1980	71,927	28,850	29%	47%
1985	82,772	27,399	28%	46%
1990	91,215	27,532	24%	44%
1991	74,964	28,274	18%	29%
1995	72,853	33,878	22%	33%
2000				

Source: *Letopis R Slovenije (Yearbook of Statistical Data on Slovenia), Ljubljana, 1970–2003.*

The break-up of Yugoslavia and the hostilities that followed and continued for five years in the neighborhood of Slovenia have had a disastrous impact on Slovenian tourism. The government of Slovenia issued a statement claiming a direct loss of 122 million US Dollars in tourism. The long term estimated loss was put at 316 million USD (Mihalič 1995). Today, tourism experts consider the estimate of the losses as very low. In 1992 Slovenian tourism had reached, in term of nights spent in tourist amenities, just 55.3% of its peak year 1986. In 1996 the Slovenian tourist market recovered to 65.3% of the visits and 73.3% of the bed-nights. Hotels showed an average yearly occupancy index of 33% over the period 1991–1996, a drastic fall to the 1986 figure of 47%. Spas were less affected by the reduced number of visitors (occupancy index 54.2%). Comparison of statistical data shows the interest in visiting

Table 5.: Slovenia: Tourists According to Residency (in 000).

Year	Domestic Guests Slovenia	Foreign Visitors to Slovenia Ex-Yugoslavia	Austria	Italy	Germany	United Kingdom
1965	393	351	86	98	90	38
1970	543	539	110	217	235	45
1975	582	628	99	146	219	31
1980	658	850	77	132	273	30
1985	749	948	97	166	292	87
1990	651	789	87	282	227	82
1991	687	344	38	97	48	8
1995	845	125	117	160	136	14
2000						

Source: *Letopis SR Slovenije (Yearbook of Statistical Data on Slovenia), Ljubljana, 1970–1998.*

Table 6.: Slovenia: Tourists According to Regions Visited, 1990–2000.

	1990		1995		2000		2002	
Resorts	Tourists	Bed-Nights	Tourists	Bed-Nights	Tourists	Bed-Nights	Tourists	Bed-Nights
Spa Resorts – The Pannonian Lowland	289	1,823	340	1,885	418	2,113	485	2,327
% Foreign	29%	26%	27%	27%	32%	30%	38%	36%
Coastal Resorts – The Mediterranean	450	2,102	370	1,663	475	1,884	510	2,052
% Foreign	58%	66%	43%	38%	49%	48%	54%	53%
Mountain Resorts – The Alps	601	2,117	441	1,443	523	1,613	566	1,749
% Foreign	46%	52%	42%	46%	57%	61%	64%	67%
Ljubljana – The State Capitol	1,142	1,790	406	846	515	1,047	568	1,117
% Foreign	39%	38%	69%	73%	78%	79%	81%	80%
Other Destination	54	123	20	47	26	63	32	76
% Foreign	37%	29%	60%	60%	65%	56%	69%	62%
Slovenia	2,537	7,956	1,578	5,883	1,957	6,719	2,162	7,321
% Foreign	43%	46%	46%	41%	56%	51%	60%	55%

Source: *Letopis R Slovenije (Yearbook of Statistical Data on Slovenia), Ljubljana, 1970–2003.*

Figure 2: The Portorož marina is one of the largest on the Adriatic Sea (photography Marjan Garbajs).

Slovenia heavily reduced in particular in traditional markets like Germany (–55.1%), United Kingdom (–86.4%) and the Netherlands (–82.8%). With the exception of Germany (recovery up to 67.8% of 1990), no improvements were shown by 1996. Neighboring Austrians enlarged their presence by more than a third, whereas Slovenes doubled their share in nights spent in tourist amenities from 25.6% in 1990 up to 60.5% in 1992 and 49.8% in 1996. The reduction of the income from of tourism was not as drastical as one would conclude out of the above statements. In 1989 US$ 657,839.000 were earned of tourism. In 1992 the income was just for a mere 2.6% lower (US$ 640.933.000) and 1996 showed earnings of US$ 1.221,735.000 (Zorko 1997). These result were due in particular to accomplishments in the gambling and duty-free segments of the tourist economy.

The development strategy of the new nation-state put in 1994 priorities in tourism mostly within the field of education, research and promotion. At the same time it strongly suggested the need to improve the quality of services and of the general infrastructure (road construction), and has stated concerns regarding the environment in general. This paper has no intention of discussing the broad spectrum of these topics. It can report that a general trend towards improvement on every subject named above is well under way. By 2002 Slovenia will gain 318 kilometers of four lane highways, just to name the major projects of the state. Along with the general statement, the document discussed outlined five special segments of the tourist economy as goals for the next development period:

- the development of new and reconstruction of existing ***spa-resorts*** (East Slovenia being East Central Europe's richest mineral/thermal water region);
- the promotion of past cultural imprints, in particular in ***cities*** (traces of the Roman Empire's and several later states and cultures heritage can be found);
- the realization of the »sustainable tourism« idea, in particular in Slovenia's ***alpine and karstic*** mountainous area (the South-Eastern Alps are the least developed area of the alpine bow (the Triglav National Park); Slovenia's landscape cover consists mostly of forests (52%) – it is in this regard the richest European country, other than Nordic countries);

- the improvement of tourist amenities and the opening of new attractions (casinos) in the area of the ***Mediterranean,*** close to the major consumer population (Italy);
- the improvement and intensification of the crossborder flow (duty-free shops) and development of regional, ***transnational tourist areas*** – especially in the triangle Italy, Austria, Slovenia /Tromeja – das Dreilaendereck – Tre Confini/ – being candidate for Winter Olympics in 2006 (Dolgan - Petrič, 1997).

Table 7.: Slovenia: Visits to Selected Spa-Resorts, 1961–1995 (in 000).

Resort	1961		1971		1981		1991		2000	
	Guest	Nights	Guest	Nights	Guest	Nights	Guest	Nights	Guest	Nights
Slovenia	822	2900	1902	5444	2419	7680	1425	4886	1576	5883
Spa-resorts	52	659	111	783	173	1224	241	1481	333	1993
	6.3%	22.7%	5.8%	14.4%	7.2%	15.9%	16.9%	30.3%	21.1%	33.9%
Čatež	3	29	17	62	49	155	58	313	83	470
Moravci	–	–	10	41	18	96	33	174	51	246
Olimia	–	–	–	–	9	97	29	198	36	231
Rogaška	21	267	24	241	34	329	33	226	43	265
Radenci	5	65	11	100	22	169	20	112	20	106

Source: *Letopis R Slovenije (Yearbook of Statistical Data on Slovenia), Ljubljana, 1970–2003.*

The statistical data 1991–1996 show the improvement in two fields of action: in several spa-resorts of the Pannonian region (Tab. 8) and in the area of the Mediterranean (Portorož – Portorose), including its hinterland. In both areas the success is a result of the coordinated action of the state and local entrepreneurs as well as of the inherited geopolitical situation. Spa-resorts, like Čateške toplice, Atomske toplice, Moravci and Radenci have opened several new attractions (»Tropical Paradise«) and amenities based on its (mineral/thermal) natural resource (Horvat 1996). In addition to it, they have enlarged their field of action with golf (Mokrice) and other medical and recreational amenities. Because of the uncertain political situation in the Balkans (1991–1996)), a large number of Slovenes, who normally would spent their vacation along the Adriatic coast of Croatia, have decided to enjoy the newly equipped and modernized spas. On the other hand has the Slovenian Littoral has gained out of the short term visits of its neighbors Italians and own nationals. The innovation in the field of tourism there is based on several gambling facilities, among which Nova Gorica has had by far the best results in visits. The improvement of the quality of accommodation and guest services and the construction of several new amenities, like ports (marinas), sport facilities and swimming pools with thermal waters, suggest that the Slovenian tourist industry has come to the conclusion that, along with the triple S (Sun, Sea, Sand) effect, other attractions must be offered/added – the triple E (Education, Experience, Emotion) to attract the increasingly »spoiled« visitors.

Conclusion

The hardest hit tourist destinations of the Balkans, Croatia and Slovenia (of former Yugoslavia), show a slight but continuing recovery from the direct and broader effects of the wars 1991–1995. In 1998 the recovery was at and above 60% of the level in 1990. But the structure of tourist visits is completely different to the pre-war years. Instead of hosting German, Dutch and British tourists, a regional tourism-exchange takes place. Up to 75% of holiday makers come from Slovenia, Croatia, Italy and Austria. Tourist from the Czech Republic are the most noted non-regional visitors. Since Croatia and

Slovenia are as close to the war torn part of the Balkans as Bulgaria, Greece, Romania and Hungary, it is most likely that the Yugoslavia (Serbia and Montenegro) bombing campaign by NATO, which goes on during the writing of the conclusions of this paper, will effect them equally. We, of course, can not speak of tourism – in the general known sense – in countries like Albania, Bosnia, Macedonia and Yugoslavia who participate in one or another way directly to the conflict.

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