

CROATIAN TOURISM TO THE CONTEXT OF GLOBALISATION PROCESS AND SUSTAINABLE DEVELOPMENT

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Abstract: *Sustainable development is imposed nationally and globally as an important civilisation issue that is closely related to globalisation processes. Most scientists involved in this matter agree that globalisation implies the process of economic, social, cultural, and political activity that transcends national borders and recognises a process of synergy in globalisation and other trends divided into three subsystems: technological, economic, and cultural. Some authors speak of „biological globalisation“, i.e. the need for integration of the ecosystem through migrations of genetic material and other biological agents, adding global processes like climate change, disruption of the ozone layer, and pollution of the seas and oceans. Globalisation is a contradictory process, because it carries some opposing effects: on the one hand, it connects remote economies and culture, and on the other hand, it promotes cultural particularism and strengthening of national identities. The tendency of economic and political connections between young nations is opposed by strong potential pressures of national and territorial division within them. According to some authors, it is proven that the future of small countries such as Croatia lies in the context of opposing tendencies of globalisation and polarisation, that global economy has become more interconnected, and that probability of its instability is growing rather than declining. Foreign globalisation investments, especially those in the tourism industry, should be used in common investments based on a well-planned national developmental economic policy. This fact becomes even more important when we know that tourism is the strongest industry and the only continuously growing economic sector in Croatia, which has additionally strengthened its impact on the economy.*

Keywords: *globalisation, sustainable development, tourism, Republic of Croatia*

1. INTRODUCTION

There is no doubt that the momentum of contemporary globalisation is linked to economic growth and depletion of natural resources at the global level. This suggests that the process of globalisation in terms of energy and environmental constraints could have self-nullifying features. Self-strengthening or autocatalytic processes that occur by more intensive involvement of a growing number of countries in the international flows of production and consumption make growing pressure, although non-linear, on finite resources and energy. The faster the process, the sooner one can discern the ending, which *de facto* represents a collapse of global economic connectivity and the transition to another, unknown „mode“. Due to the existing asymmetry in the intensity of appropriation of natural resources, the conclusion is derived that the intensity and dynamics of deglobalisation will not be felt equally in all countries. Sustainable development is a complex matter, from both theoretical

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and practical point of view, and is characterised by pronounced interdisciplinarity. Rethinking sustainable development started as an attempt to find answers to growing problems that occur within the environment and natural resources at the global level, and which has become an important issue in science, politics and business after the Conference held in Rio de Janeiro in 1992. Back then, an important issue had to be addressed: how to continue economic growth of developed countries of the West with the need to modernise the economies of underdeveloped countries, without jeopardising climate stability, functions of the existing ecosystems, and availability of energy and other natural resources necessary for the functioning and expansion of the Western civilisation. The main hypothesis: The complexity of sustainability can be summarised in environmental, social, and economic dimensions that together determine civilisation sustainability of the society. PH1: The collapse of any of the above-mentioned dimensions is enough to destroy the civilisation structure and viability of the modern society, considering that sustainable development can also be linked to national security as a political category. PH2: Sustainable development should be considered as a civilisation sustainability of the national economy in terms of global trends and constraints in the world. With the fall of

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She started postgraduate PhD Study entitled Economic Cooperation of Croatia and The European Economic Community with a focus on Adriatic tourism in 1992 at the Faculty of Hospitality and finished it in 1994 with great success.

Her first work experience was at Rijeka's shipyard „3.Maj“ from 1982 to 1991, working on different managerial positions. After that, she was employed on Faculty of tourism Management in Opatija, where she was acquired a vocation of senior instructor at module Economics of international exchange. In 2002 she was elected for assistant professor at the Faculty of Tourism and Hospitality Management, Opatija at modules International Economics and Economics of the EU and tourism. After she completed all the conditions in 2008 she was chosen for associate professor at the Faculty of tourism and Hospitality management on module International Economics.

During her scientific and professional activities Ana Vizjak has participated on different specializations and professional trips abroad. She developed especially good connections with Vienna University. During that work particularly notable was collaboration with several world-renowned educational and Business economic institutions, for example :Internationalen Sommerhochschulkures, Marketing Management, Vienna Faculty of Economics 1993. Then cooperation with Tourism Institute, Vienna, 1994. Further, cooperation with Internationalen Sommerhochschulkures, Marketing Management, Vienna Faculty of Economics, 1995.

Cooperation with Scenariotechnik Wirtschaftsfoerderungsinstitut Wirtschaftskammer Osterreich 1996 and especially good cooperation with Alpen - Adria Sommeruniversitat 1996.

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During her work at her home Faculty she has established appropriate Communication relationship with students, within which uses objective Criteria during the assessment of students, and she helps students in development of critical thinking and directs them to accept different theoretical knowledge within the solving various practical problems and accepting the teamwork. In this sense she has significantly improved teaching Process in the course and

scope of their impact on improving teaching plans and programs.

As a reward for his contribution to the educational process and Relationships, students always give her top grades in the secret evaluation. Scientific and educational activity enrollment is visible through a large number of Published scientific papers, which almost exclusively include the area of international economics and related fields. Her scientific papers are published in Croatia and abroad, and she also participates in making of a variety of scientific and technical studies and projects. In 2009 she was elected for a head of the Department of Micro and Macro Economics at the Faculty of Tourism and Hospitality management.

the authoritarian regime, Croatia opened to Europe and the world, and foreign capital of „fairer“ kind began to be invested in the country. Soon, the first results started showing at the international market with a strong effort to make up for what was lost. PH3: Once serious faults had been detected in the newly established economic systems, developed and implemented by various government representatives, for whom was later found that they were associated with various criminal organisations in the country and abroad, attention started to be devoted to the need to define foreign capital according to possible forms and sources, its allocation, manner of investment, and all other factors that should have stimulated accelerated development of the Croatian economy, with special focus on the economic system in tourism. The objective of this paper is to investigate the set hypotheses and thus establish the facts in relation to the adjustment to globalisation processes and the idea of sustainable development, and overall economic changes, because certain „quasi-experts“ in Croatia think that foreign experiences can without any difficulty be transferred and installed in Croatian economic conditions, by using state coercion. Thus, users of the national economic system, especially within the tourism industry, face unnecessary dilemmas. It is necessary to get well-acquainted with the foreign market, its economic conditions and practice, but also to think through which of these conditions would function best in the Croatian practice in the given time and space. Scientific methods used in this paper are methods of systematic analysis, dialectical and logical method, mostly combined inductive-deductive and vice versa, deductive-inductive. Quantitative and qualitative methods were used with methods of comparison of spatial and temporal characteristics. The scientific contribution is reflected in the development of scientific thought about the importance of globalisation impacts and sustainable development in the function of further development of tourism in Croatia.

2. THE RANGE OD GLOBAL ECONOMY DEVELOPMENT

In the last decade of the past millennium, scientists were warning that limits of economic growth reached a dangerous level regarding arable land and drinking water, and that in the next 25 years, serious shortages of oil, water, and other natural resources can be expected. Bearing in mind the growing population of Southern countries, among which China and India stand out by their size and power, as well as exhausted possibilities of the Green Revolution, and lesser availability of arable land and drinking water, it is realistic to expect serious and long-term problems in the food supply to the population, especially in the Third World countries.

The general thesis of national and economic security is that economically weak countries are really unsafe, i.e. that there is an inverse relationship between dependence and security. This fact can be directly linked to dependence of the national economy on imported energy

sources, food, strategic raw materials, or finished products necessary for civilisation functioning of the society. Excluding any thought of xenophobia or autarky, the thesis of dependency and security can hypothetically also be extended to a situation where multinational companies control key sectors of a country's economy, such as telecommunications, public transport, production and distribution of energy or food. The intensity of exploitation of the natural resources and appropriation of fossil fuels is inextricably linked to economic and military power of a small group of countries within the OECD group. It is therefore concluded that small countries, dependent on imports of raw materials and fossil fuels, are in a very delicate security position as soon as their economies lose the minimum of self-sufficiency in production.

National security is especially threatened in the event of depletion of a country's natural resources and degradation of the environment that can cause dissatisfaction of the affected social groups, internal migrations, and ultimately, violent conflicts, as evidenced by numerous studies. The cases of intra-national and international conflicts because of renewable and non-renewable resources were common in history, and are also used in the modern world. The expected shortages in the oil supply could have grave political and security implications due to the schedule of producing and consuming countries, and because of their relative economic and military power. It is estimated that the countries of the Middle East, that make only 4 per cent of the world population, possess 46 per cent of world oil reserves and perhaps 70-80 per cent of available surplus for export [4]. Sustainable management and wealth of a country is based on energy supply issues. Venezuela and Iran are countries with the

largest oil fields, and all the main supply gas routes to Europe go through Ukraine. These are the countries with a poor standard of living, while Switzerland, which is neither rich in oil nor gas, is an economically wealthy country [14]. The point is good governance and the policy of continuous sustainable development. Certain transition of the global economy to the „post-oil paradigm“ in this century is a challenge of unpredictable scope for national security,



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especially those countries that have neither the reserves nor military and political power of appropriation. The problem of drinking water supply is considered one of the key challenges of this century, both in terms of mere survival, and in political and security terms.

There is a strong asymmetry of distribution between nations in the intensity of appropriation of natural resources and disruption of the stability of the biosphere. According to some data, approximately 15 per cent of the world population living in developed countries consumes 50 per cent of energy and produces 50 per cent of carbon dioxide emissions. 1/3 of the developed world consumes $\frac{3}{4}$ of world food and 83% of other resources. 255 richest people in the world have accumulated the wealth of over a thousand billion USD, which is equivalent to the annual income of the poorest 47% of the world population. From the 4,4 billion people living in developing countries, nearly three of five live without basic sanitation; nearly one of three does not have clean drinking water; one fourth has no adequate housing, one in five lives beyond the reach of adequate health care, one in five children is malnourished, and the same percentage of children does not complete more than four grades of primary school. Even in the USA, the richest country in the world, approximately 12 million families are on the brink of starvation, while at least 700 000 homeless people live without a roof over their heads (Maitreya's priorities). This results in an increasing gap between the rich and the poor, i.e. 85 rich people are as rich as the poorest half of the world's population. 70 per cent of all investments is associated with companies. Of the 100 largest economies, 51 per cent are global companies, and 49 per cent of them are state-owned. 200 of the largest companies are stronger than overall economies of 182 countries in the world, except for the nine richest ones. 500 strongest companies control 42 per cent of the world's wealth, while 90 per cent of their assets are abroad, i.e. 60 000 companies have about 500 000 subsidiaries. 100 largest companies annually sell goods in the amount of 2,1 billion USD and employ 6 million people outside of the home country. Of the 500 most powerful companies in the world, 197 are from the USA, and from the 100 strongest, 56 are from the USA. The wealth of the three richest people in the world, Bill Gates, Prince Al Saoud, and Filip Ansuco, is greater than the overall gross domestic product of the 26 poorest countries in the world [1]. Thomas Piketty found that inequality under capitalism is not accidental, but that growing inequality is the expressed product of capitalism and return on capital that is higher than the growth rate of the economy, which is not achieved by actual values, but by speculations. Leaders do not invest their own funds, but rather seek smaller investors; therefore, the result is that the rich become even richer if it comes to the stage of added values and multiplicative effects, and if it comes to bursting of the bubble i.e. crisis, they come out intact, because their real capital was not in the game anyway. Thomas Piketty proposed taxation of income of the richest individuals and taxes on the total wealth on a global scale as a solution for social inequality, in order to avoid the practice of moving the capital to off-shore destinations [11]. A research conducted by the Tax Justice Network came to the conclusion that the richest people deposited onto their off-shore accounts between 21 and 32 billion dollars, by which this amount remained untaxed and did not enter state budgets. Such global fraud would not be possible without leniency or, what is more, co-operation between the legislators in the countries from which all this money went to tax havens. Favouring the richest population through tax benefits and lower tax rates forces the rulers to cut public spending, a portion of which guarantees the continuation of layering in the near future. Asymmetries, i.e. drastic inequalities, can be bridged, as predicted in the convergence theory. Namely, reducing the gap in living standards would have to be achieved by relatively more accelerated economic growth of poorer countries, which implies adequate growth in the use of resources and energy. The convergence ideal is, however, opposed by the knowledge of the final capacity of the planet to support the material growth of economies. A Norwegian study has shown that, if seven billion people lived at the level of consumption of

materials and energy characteristic for highly developed industrialised countries, it would take five planets Earth to realise this [3].

At the level of the national economy, globalisation brings a structural shift from integrated to segregated economy. By freely entering globalisation, economic system loses its national, „local“ logic, and is functionally and structurally subordinated to the logic of the world market, and it is considered that global economic integration at the same time means national economic disintegration in the sense that parts of the economy break away from their national context. Namely, the production of the final product disintegrates into several very distant countries, manufacturer and customer become culturally and geographically arbitrarily distant, and production and consumption of food are losing their national and regional connectivity. Globalisation in the real sector of the economy is further complicated by free portfolio investments that are not associated with the material sphere of the national economy. Changes in the economic and demographic structure conditioned by the above-mentioned processes can eventually reach very deep, from changes in the employment structure in industrial sectors, through local production shutdowns, because they do not fit in the strategy of multinational corporations, to the specialisation of certain goods that functionally do not fit into the national economy [9]. The main implication of the phenomenon of disintegration of the national economic system is increased dependence on international trade in the functioning of all economic sectors to satisfy the primary needs of the population. This increased dependency can turn into a problem of national security at a time when there is a breakdown in global trade flows.

3. PERMEATION OF TOURISM AND ECOLOGY IN GLOBAL AND EUROPEAN TOURISM

Overall, there was 1087 million of international tourist arrivals realised in 2013 (increase of 5% compared to 2012) and 1159 billion dollars in tourism revenues. The World Trade Organisation (WTO) predicts growth of international tourism to 1,6 billion trips in 2020, and a turnover of about 2 billion USD. Europe generated the biggest tourism revenue, Asia and the Pacific are the fastest growing tourist regions, while in the Middle East, arrivals and tourism revenues stagnated. Nowadays, large global companies put tourism at the heart of their business interests. In 2013, travel and tourism in the world contributed to the overall growth of GDP by 3% (in 2012), which is faster than the overall growth of the world economy, and also faster than the growth of production, finance and sales. Travel and tourism generated 6437 billion USD in total GDP, which is more than double than the motor vehicle industry, chemical industry, communications companies, and mining (taken from the World Travel & Tourism Council). The tourism industry employed 262 million people (in 2012), i.e. 8,7% of the population was employed in the tourism sector, which means that tourism is one of the leading “creators” of work places. According to the data by the World Travel & Tourism Council, each dollar spent on travel and tourism generates over three dollars in revenues.

Tourism in Europe has a long tradition, and all European countries used or developed tourism in some way in their economic development. European tourism was the most successful during the strong development of integration processes developed during the 1960s. The most developed European tourist countries that are now all located in the European Union, had a substantial influence on tourism development in Europe. In all European countries, tourism got a privileged position in national economic policies, because it improves the national income of each country, encourages employment of the population, soothes nationalist

tensions, and helps marketing the national products in the best, quickest and most cost-effective way. Over the years, special laws were enacted in all EU countries that significantly influence the development of tourism.

About 40 per cent of world tourism is generated in Europe, while at the same time, economic analyses show that even greater international tourist traffic of foreign tourists could be achieved as well as increased economic benefits. On the other hand, new development trends in European tourism indicate the movement of the tourist population from the north to the south, as a result of the construction of modern roads in the southern part of Europe. Since northern part of Europe is economically much more developed and richer than the southern part, through tourism, part of their income is transferred to the southern part of the continent. In this way, the total national income in Europe becomes much more equalised. Since southern part of Europe is visited by richer and more demanding visitors, they seek particularities they are used to in their daily lives. In this way, mass tourism gets rejected and it comes to reorganisation to the new, specific forms of tourism, such as sports, winter, health, healthcare, rural, cultural tourism. Cruising tourism also keeps developing.

Development of tourism in Europe is significantly influenced by environmental behaviour and ecological awareness of the population. In ecological tourism, the focus is on leisure and tourism, and ecological thinking is directed into ecological behaviour of tourists. In this respect, ecology can be classified under the totality of principles governing the mutual relations and processes of adaptation to life on Earth. In the foreground is the relationship between man and his environment. The field of activity of ecology is developed on multiple levels that connect nature, from individual to the entire population, individual communities, individual ecosystems, and the ecosphere.

4. THE NEED TO USE GLOBAL FOREIGN IN CROATIAN TOURISM

When the political situation calmed down in South East Europe, the need of social development with expressed economic development came again to the foreground, and firstly, there was strong tourism development in the areas earlier affected by the war. With evident economic development processes, and economic transformation and restructuring of the country, it was soon recognised that further development of the Croatian economy and the related tourism economy will not be able to continue without additional capital. Since there was not enough additional capital from domestic sources for stronger tourism development, it was necessary to enable faster entry of foreign capital into the country.

Croatian tourist economic system functions in the environment of Central European tourist countries orienting their economic development towards the open and free social market economic system of the Western form. Within this system, there is an adequate system of property relations, entrepreneurial management, economic and political democracy, rule of law and a certain level of social protection and human rights. There is also the need for fair and effective involvement of Croatia into modern global and especially European integration processes. Successful fulfillment of this need requires encouraging such transformation processes which would in all parts of the activities in the Croatian society regulate the relations with special attention devoted to the property, the market, entrepreneurial management, organisation and management of business and other entities, and tourist economic system. Table 1 shows the mission of the five strongest tourist enterprises in Croatia in 2014, and Maistra announced investments of 1,4 billion KN in 2015.

	Valamar Riviera	Maistra	Plava Laguna	LRH	Arenaturist
Total revenue in 2014 (u mil KN)	1116,5 (2,8%)	804,5 (12,1%)	511,7 (-14,4%)	356,2 (7,6%)	315,5 (5,7%)
Net profit in 2014 (in mil. KN)	52,2 (-50,8%)	98,7 (30,9%)	85,9 (-28,7%)	50,6 (212,3%)	-7,6 (-404%)
	The fall in net profit due to acquisition of the company Dubrovnik Babin kuk, which significantly raised the profit in 2013	Expected growth in revenue and profit, taking over the Hilton Imperial Hotel in Dubrovnik; they stepped outside of Rovinj	By the acquisition of the Istraturist, the Lukšić Group, owner of the Plava laguna, they grew into the largest tourist group in Croatia	They complain about the growth of VAT, despite of which both their revenues and profits grow. They sold the Villa Siam for 22,9 million KN.	They closed the year in the red due to the impact of outstanding revenues due to restoration, they demolished Belvedere and the Park Hotel

Table 1. Five Strongest Tourist Enterprises in 2014 in Croatia [8]

In order to achieve such great economic and political changes in the country, it is necessary to acquire the appropriate modern knowledge, abilities and skills, develop entrepreneurial spirit, innovation, all of which enters the level of human capital, and in particular, bring into the country new fresh financial capital with globalisation features, because there is a lack of necessary capital that would develop these ideas in Croatian tourism, and according to statements by economic analysts, there is not going to be any for a long time, at the level and quality that is optimally required, particularly due to the global crisis.

Croatian tourism and economic development, according to all relevant plans and indicators, is based on such thinking, and future strategic goals are necessarily associated with an increase in material well-being of Croatian citizens, their material and spiritual wealth, and quality of life. Achievement of these goals should depend on successful management of natural, technical, and human resources, i.e. economic and social efficiency of national economic operators, all of which affects the development of the national economy as a whole. Without such changes in the social and economic environment of the country, but also without creative acceptance of useful global achievements from the developed countries, Croatia cannot equally and effectively engage in the global economic flows, nor in the European economic and political integration. In order to achieve this effect without major economic upheaval, such economic relations in the country should have been achieved through legislation that would allow the local population to have majority control over the capital. This was especially important in the segment of land ownership, where a small country like this can be, piece by piece, under the pretext of developing domestic tourism, bought by any large multinational company, which could under various pretenses evict the locals, and change the ethnic composition of the population. Unfortunately, the locals of the region have very bad experiences with foreigners and foreign investments of this type from earlier times.

Previous experience of other transition, underdeveloped or colonial countries indicates that foreign globalisation capital primarily seeks to achieve its own profit regardless of the consequences for the country it invests in. In this respect, in the foreign capital recipient country, foreign capital shareholders should be controlled by the legislation, and any illegal behaviour should be prevented. In this way, their capital interest, especially in the sphere of tourism, would in the long run be in line with national interests. When globalised foreign capital enters the Croatian economic system, the economic ratio between foreign and domestic sources of capital on the national market should not be disturbed, and special attention should be devoted to good distribution of social costs and tax liabilities, promotion of the use of cutting-edge technical and technological solutions, marketing, and effective presentation of domestic economic agents at the global market.

Foreign globalisation investments, especially in the tourism industry, should be used in common investments based on a well-planned national developmental economic policy. Foreign investments in tourism started in 1996, larger investments followed from 2005 to 2007, and in 2009, they amounted to 7,1 billion KN, of which 3,5 billion KN in the private sector, i.e. mostly hotel owners. In the past 10 years, total investments amounted about 5 billion euros, while estimated investments by 2015 amounted 9,5 billion euros (taken from Horwath Consulting). After the beginning of the crisis, investments almost stopped, while in the past three years, there were no serious investments at all (Croatian Chamber of Economy). When foreign globalisation capital is invested in national tourism facilities, one should realistically assess national deposit, in which price and location of the land, especially tourist land, are especially important. Tourist land ownership as an investment should, as a rule, remain in the ownership of local population. This particularly applies to the continental agricultural land of top quality, while tourist land at the coastline, by the riverbed and by the sea should not be sold, but leased for a short or long period of time. In addition, the use of land and economic facilities should be conditioned by application of cutting-edge technological know-how with the obligation of constant protection of the environment. This could be achieved by using a suitable system of mortgage loans which could be used in the tourism industry and business. In this process, Croatian owners of foreign capital who work or reside abroad should also be included in the investment system [5].

According to past experience, in most transition countries, the state will remain the leading investor, as well as manager in some nationally important infrastructural activities for a long time. However, this should not be tolerated too long, and conditions should be created for accessing private capital that should operate under state control, because it cannot be allowed that, due to various disagreements between owners of the capital, citizens become deprived, or lose water or electricity supply. Recapitalisation, especially by foreign globalisation capital, is a very important developmental factor in any country's economic system. The recapitalisation system of Croatian economic systems, especially tourist ones, should be considerably altered in comparison with the mode used so far. The effects achieved in Croatia by recapitalisation in economics and tourism indicate that recapitalisation has not been used effectively in terms of using additional capital, whether domestic or foreign, that would be used for national technical, technological, organisational or managerial adaptation of the current economic system. The original plan was to use for these purposes the capital received from the sale of shares in the process of sub-ownership of stocks by former social enterprises. The obtained capital soon disappeared in frauds committed by leading state structures [12].

If we analyse current experience with purchasing shares of some large enterprises, other than those that exercised a monopoly position in the market and were protected by the state, they

are not particularly encouraging. After purchasing the shares of such companies, they went bankrupt, and the shareholders lost their invested funds. The current situation on the domestic capital market as well as new trends indicate that the owners of the capital, foreign, but also domestic, would be more inclined to buy some smaller enterprises and exercise full control over their business than invest in the purchase of shares with which others, who are sometimes associated with organised crime, would trade on the market. In the past five years, it is possible to earn up to 150 per cent on tourist shares in companies with high equity that have been underestimated: the Valamar Riviera (shares went up 11 times in a little over four years), Adris, AD Plastika, Vupik and Excelsi [6]. In addition to having a strong return to investors (including dividends), they have the best chance for growth, which could encourage further modernisation and continuing the process of consolidation. It is interesting that such growth occurred in the middle of disastrous development in the Croatian economy. A surprising robustness of companies from this mortgage portfolio was not threatened even by the six-year recession that is still going on in Croatia. In normal circumstances, no one could assume that stocks could do well. High yield resulting from the selection of the right stocks is consistently possible only on inefficient markets where there are stocks for which the market does not process publicly available information. This was evident in the past few years in the Croatian tourist stockmarket.

At any rate, global foreign and domestic investments should be directed to follow the course of total economic and tourism development with effective legal protection of the state, but also with the assistance of financial institutions that should ensure capital investors certain benefits and guarantees that are common in countries with developed market economy, and these would be the following [2]: tax and customs benefits, the possibility of rapid transfer or the profit, using different types of mortgages, etc. In such a social investment system, it is the most important to create such a legal and economic framework that would provide equal opportunities to all who reasonably appear in economic and investment competition. Table 2 shows the evaluation of activities in individual tourist destinations.

CATEGORIES	SUPER-CATEGORIES	MEASUREMENTS
FINANCIAL STRUCTURE	Compensation of the prices	- average salary -position of compensatory prices -(developers and local operational management)
	Price of the infrastructure	-telecommunication systems etc. - travelling to bigger consumer destinations
	Taxes etc.	- fees include transportation, estimation of losses, fluctuation of rates
POPULATION AND EDUCATION	Cumulative education and experience	-determining IT and BPO market size -quality of IT managers
	Availability of employment	-total power, - strength of universities - education
	Education	- level of standardisation of education
	Utility rate	- relative growth of GDP and unemployment rate
BUSINESS	Political and economic	- business activities,

ENVIRONMENT	benefits	- A.T.Keamey's foreign investment and reliability index, - development of local administrations, - government investment in IT, etc.
	Infrastructure of the country	- organisation of measuring the quality of information and telecommunication technology of the ICT sector
	Cultural adaptation	- Keamey's globalisation index
	Security of intellectual property – IP	- rates of investment and ICT law, - protection against illegal software

Table 2. Evaluation of Attractiveness of Certain Tourist Destinations [7]

Effective and secure investment of capital, especially global capital require a regulated national market as well as effectiveness of the foreign investment for the purposes of the respective society. One should also bear in mind the effects of some market factors, because their timely harmonisation is important for the use of all types of capital in the economic structure of the country. Successful activities of any national market are highly dependent on successful overcoming of various legal and economic restrictions which appear on the relevant national market. Acceptance of the capital market system in the national economy is highly dependent on the establishment and development of a free and open market economy with all the necessary categories, institutions and mechanisms that characterise market economies of the most developed countries in the world. In October last year, the Croatian Parliament passed the Law on Strategic Investment Projects that provides the basis for solving the problems of land and slow bureaucracy for the selected capital projects. The following preconditions are realistic expectations in benefits – concessions for land, and smart models of their application that they must follow. When it comes to fiscal burden, it is perfectly clear that it must be yielded; the government is also aware of this, but the question is to whom and in what way. However, it is certain that in case of a selective approach, strategic investments and tourism will be among the first. Properties will be a necessary part of these investments because they are the only ones guaranteeing attractive returns that are strictly hotel investments longer than 10 years, even with better macroeconomic conditions than in Croatia. This could attract the so-called trophy investors, but they are a small part of the investment market that only requires exceptional locations in top destinations, and this is not enough for the set goals. Realistic effects on the economic development of a country can be expected only after the successful implementation of market processes. When one considers the adjustment to the market, this is especially important in the sphere of foreign tourism investments, referring to the establishment and development of complex national market with all its associated parts. This is not only the market of goods and services, in which tourism industry with its services should have a special treatment, but labour and services, capital, knowledge, as well as all their sub-systems should be included into this system [10]. In this way, a market would be created that would be fully open and in which active economic agents could in any moment obtain all the necessary economic factors, inputs of their production, i.e. business processes and use overall, but fair competition, with the launching of its products and services in any other country on the foreign market. As presented above, Croatia at the present time, according to calculations of many other Croatian economists, cannot in recent time manage sufficient level of equity capital, which would cover its developmental economic needs, nor its tourism investments. For this reason, it will be forced to receive into its economic system various types of foreign capital that will be globalisation capital in terms of

their impact. Since Croatia was one of the most developed republics in the former state, which also produced a high-level economic co-operation with foreign countries, the need for new capital investments from abroad are treated as an economically normal occurrence. When Croatia became independent, legislation was adopted in urgent procedure which defines the rules of entry of foreign capital in Croatia. Owners of foreign capital became equal with domestic owners of capital. In the process, the rule “everything is permitted which is not explicitly forbidden” was used. The established legislation in the sphere of capital investments was not, however, followed by other conditions which would in practice regulate the inflow and mode of action of foreign capital in the country. It soon became evident that the legislation was superficial and incomplete, various “businessmen” from abroad or Croatia in co-operation with the highest government officials started using various fictitious transactions, without their own capital, to buy everything of value in this country. Croatian legislation does not distinguish foreign from domestic investors, but prefers division into residents and non-residents (Croatian Chamber of Economy). The main obstacles for investors in tourism (stated at the Economic Forum in October of 2013) are the following: a long period for obtaining building permits, securing funding for the project, environmental issues, time limits for implementation of the project, lack of appropriate physical plans that would regulate all relationships in a certain area, disputes over different interests and investments between the public and private sector.

The realisation of comprehensive adaptive processes is necessary to accept the foreign globalisation capital within the national market. In order to successfully accept foreign capital investments, one should through practice discover and change all the detected limitations deriving from the application of certain adaptive actions. In addition, attention should be devoted to underdeveloped marketing culture or wrong economic thinking by those in charge of developing active implementation systems. The main objective of the first comprehensive strategic document of Croatian tourism is that Croatia by 2020 enters among the 20 most desirable destinations in the world, and this will be achieved only if the planned measures and projects from the Strategy are realised [13].

CONCLUSION

Development of globalisation on the world level caused new organisational, economic and other processes on the international market. Although the scientific community has had many discussions on the positive or negative consequences of globalisation effects, globalisation is still accepted as a part of the new world order, and in the world economic system, accelerated adaptations to new structures and economic systems have been carried out. Globalisation is also seen as a new active concept in social sciences that reflect a new era in the development of contemporary global society.

Preparation of the national market, with particular attention devoted to the tourist market for accepting global foreign, but also domestic investments, implies the change of the previous types and ways of making various products, but also services, in particular those of tourism, which have been used so far in the domestic market. Global foreign investments in the Croatian tourism system could trigger a variety of changes, and those could be reflected through enrichment of previous tourist offer. Some businesses, as well as those responsible for developing national economic strategies, present market systems from the time of a lower stage of capital development, or its liberal, somewhat more developed stage, which provokes resistance and fear among users of the system. At the same time, in the Croatian economy,

many businessmen closely co-operate with foreign business associates and learnt some fundamentally different and more humane characteristics of modern capital market. It is necessary to get well-acquainted with the foreign market and economic conditions and practice functioning in these markets, but also to think about which of these conditions would function best in the Croatian practice in the given time and space.

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