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EVOLUTION AND CHANGES OF TOURISM IN MACEDONIA IN THE POST-SOCIALIST PERIOD (1991–2018)

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Abstract

The study provides a historical and contextual analysis of the evolution of tourism in Macedonia. The time scope is defined as the period between 1991 and in 2018. The study investigates the tourism development in Macedonia in the post-socialist period of the country, using the Butler (1980) Tourist Area Life Cycle (TALC) model as an analytical tool. The model provides a framework to explain the complex processes of the development and changes in tourism in the country over the years. For this purpose, an analysis of secondary data sources is implemented to find the changes in the evolutionary stages of tourism development. The findings show that tourism in Macedonia is in a stage of development, and that it has not yet reached the consolidation stage. Lastly, the study offers a better understanding of how tourism in Macedonia is changing in the complex post-socialist period.

Key words

tourism development, evolution, TALC model, post-socialist period, Macedonia.

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1. Introduction

A. Williams and V. Baláz (2001) in their book “Tourism in transition: Economic change in Central Europe: Tourism, Retailing and Consumption” discuss focused on problems of several sectors of the economy, namely in tourism, retailing and consumption. Although Westerners’ attention was concentrated on the post-socialist transition from around 1990, A. Gosar (2012) considers that very little interest was shown for unstable Southeast Europe, especially for the western Balkans and former Yugoslavia

countries. Countries of the former Yugoslavia, since the Second World War and up to the fall of the Iron Curtain in 1989, were part of communist rule and centrally planned (socialist) economies. In 1991/2, ethnic violence erupted in Yugoslavia, as several republics declared independence (Gosar, 2012, p. 374), among which was Macedonia. Thus, Macedonia independently enters the global tourism market and had to struggle with the destination recognition at first. Because of the general political and economic setting of Yugoslavia, where ethnic disputes lasted through the last decade of the twentieth century,

and where the transition from communism to democracy has been slow, the 1990s were characterized by slow economic development, even downfall, in particular in the tourism sector (Gosar, 2012). Because a market economy was introduced in the tourism sector countries of the former Yugoslavia have gone through a whirlwind of changes, as the result of the regional instability and the transition itself (Gosar, 2012). Tourism development in the post-socialist countries was associated with the desire to make up for the lost time and the fast growth of income from tourism industry (Banaszkiewicz et al., 2016). Within the Socialist countries much of the domestic tourism was regularized as "social tourism", assigned holidays that were not bought but were the privilege of one's employment or Party position (Banaszkiewicz et al., 2016, p. 109). Also, they noticed that the transitions from those systems and sub-systems have been almost total and transformational.

R. Butler (1980) suggests that without comprehensive planning strategies and suitable tourism policy, destinations are intended to face of eventual decline and possible collapse. This argument is especially characteristic to many post-socialist countries, particularly in Macedonia, where the development of tourism after the independence of the country is characterized by decaying infrastructure, weak linkage with other economic sectors, inherent shortfalls in long-term strategic tourism planning, political and economic instability and so on. At independence, the Macedonia government depended almost exclusively on a few sectors, namely, industry, agriculture and trade. In consequence, Macedonia has increasingly turned to the development of tourism as a possible source of foreign exchange earnings, job creation and economic growth, as is the case with many post-socialist countries in Southeast Europe. Therefore, Macedonia has embraced tourism as a strategy for socio-economic development, as is the case with many post-socialist countries in Southeast Europe. Governments in these countries often consider the development of tourism as a generator of economic growth, job creation and reliable source of foreign exchange receipts.

The study analyses the developments and changes in the tourism sector in the period 1991–2018. The study uses Butler's (1980) Tourist Area Life Cycle (TALC) model as a conceptual framework of analysis of the complexity of tourism development at its different stages in Macedonia. The identification of the new stages of tourism development in Macedonia derives from specific characteristics of each stage, including volume of tourists and nights spent, changes in the socio-economic indicators of the tourism development, certain attention is paid

to the government's role in the tourism policy and planning strategy, and the importance of tourism in the national economy.

The paper organised in five sections. The second section explores the concept and gives a brief overview of the literature on the TALC model. The third section addresses the study's methodology and data source. In the fourth section applies a TALC model to Macedonia. The fifth section summarises the study with certain discussions and conclusions.

2. Conceptual framework and brief overview of TALC model

Authors such as R. Butler (1980), W. Christaller (1964), C. Stansfield (1978), proposed the idea of an orderly progression in the life cycle of tourist resources. The Butler's (1980) model of a cycle of evolution of a tourism area was used in studies (Choy, 1992; Din, 1992; Getz, 1992; Haywood, 1986, 1992; Smith, 1992; Williams, 1993).

The Butler lifecycle model explains the evolution of tourism into the stages of exploration, involvement, development, consolidation, and stagnation, followed alternatively by either decline or rejuvenation (fig. 1.). According to D. Weaver (2006) that is an ideal model of evolution. But, someone authors such as E. Aguiló et al. (2005), B. Prideaux (2000), M. Uysal et al. (2012) saw specific deviations and were critical of the lifecycle model for its simplicity, its lack of precision, and its limited application scale.

On the other hand, despite the criticism, the life cycle model is a useful framework for various scientific analyses and tool for research in tourism development. That's why a various researchers agree that the life cycle model has played a significant role in tourism planning and development (Candela, Figini, 2012; De Camillis et al., 2010; Hovinen, 2002). A general conclusion of the life cycle model that it is a useful conceptual tool. It's simple design and well-described stages appeal to researchers from a variety of disciplines and it has been applied to a range of studies.

With the application of this model in the study specific stages in the evolutionary sequence are described.

3. Method and data source

The research methodology is based on a descriptive approach attempting to describe the phenomena relevant to the topic examined. The quantitative method has been used to interpret the research

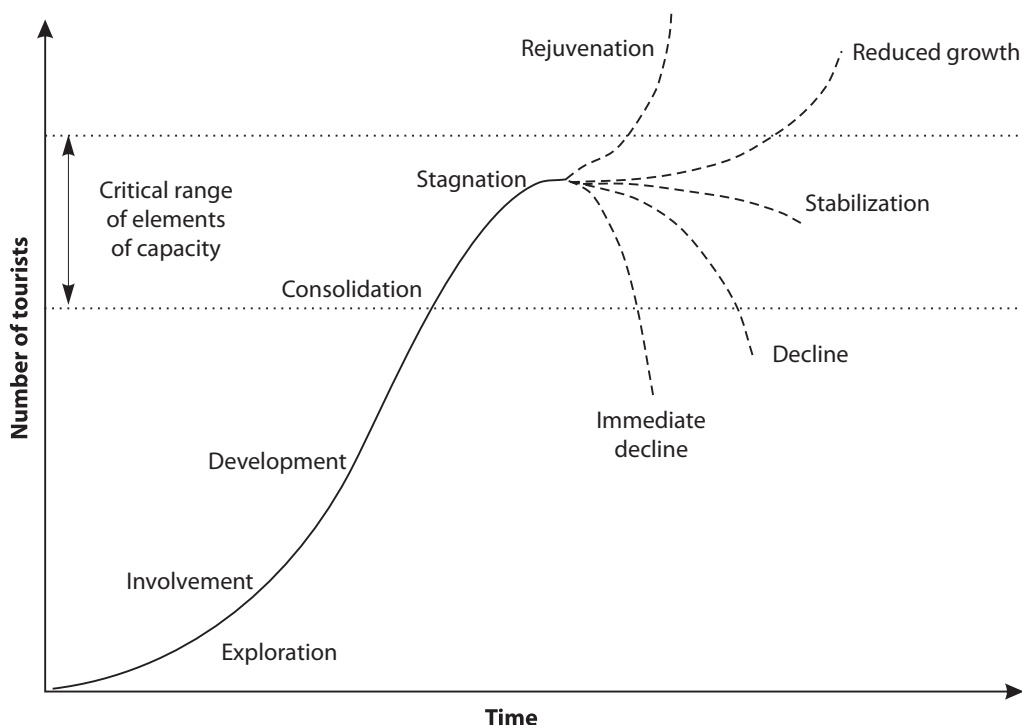


Fig. 1. Tourism Area Life Cycle (TALC) model

Source: adapted according to Butler (1980).

data, as well as methods of comparison, analysis and synthesis. A simple descriptive statistical method was used to process, analyse and present the data indicating changes in tourism in the post-socialist period of Macedonia. The research is based on secondary statistical data available from the official websites of the State Statistical Office and the National Bank of Macedonia. The author has consulted research and other papers published in relevant scientific journals and proceedings, as well as other publications and national strategies, informal discussions and dialogue with stakeholders in the tourism industry and policy that helped the author in the preparation of the paper. Total annual tourist arrivals and total annual tourist nights spent (most affordable and most comparable) constitute the main units of measure for presenting tourism development in the country. Data set covers the period 1991–2018. Some data series are of limited scope due to the availability of data and this imposed a certain limitation to the depth of this research. In terms of geographical scope, this paper focuses on the administrative territory of Macedonia.

4. An application of Butler’s (1980) Tourist Area Life Cycle model to Macedonia

4.1. Tourism development in the complex post-socialist period 1991–2001 (decline stage)

The break-up of Yugoslavia had a disastrous impact on Macedonian tourism. In the early years of independence Macedonia reconciliation itself and accommodated itself to the fact that international visitors have most often just crossed the territory of the state. In such conditions, the tourism development in Macedonia was moving downwards, aided additionally by the poor and unstable economy of the country (Iliev, Kitevski, 2016).

The tourist visitors in the period 1991–2001 have a trend of steadily declining. In 1992, one year after the independence of the country, Macedonia tourism had reached, in term of nights spent in tourist amenities, just 53.8% of its peak year 1987. In 2001, the lowest tourist turnover was registered (333,308 tourist arrivals and 1,254,582 overnights stays of tourists) (tab. 1). Compared to 1987 (the most successful year in the tourism development of Macedonia), there is a decrease in the arrival of tourists by 3.5 times and a reduction in the number of nights spent by tourists by 3.2 times (Iliev et al., 2014). The post-1991 period is characterized as a very unstable period with stagnation and reduces foreign exchange earnings from tourism (Iliev et al., 2014). The reduction in foreign exchange earnings is occurs mostly

in 1997 when 15.16 million US \$ was registered, in 1998 – 16.70 million US \$ and in 2001 – 25.95 million US \$ (Iliev, 2010). The country has experienced persistent shortfalls in foreign exchange earnings, due to decreased of foreign tourist arrivals. The structure of foreign demand has changed since independence. Macedonia tourism has geographically become dependent on short-distance regional visits of residents of Serbia and Montenegro, Bulgaria, Albania etc., while Western markets have cautiously responded to the new tourist destination “Macedonia”. A major role for the decline of tourism development in this period was the military conflicts in the countries of the former Yugoslavia, the disordered political and security situation of the region, the blockade of the international community, the military conflict in Macedonia in 2001, on the basis of that the country gained the image of an unsafe tourist destination for foreign tourists.

In the catering trade in the period 1991–2001 some decline in the development was evident (tab. 2). The hotels and catering facilities that prior to 1991 were in public ownership entered the process of transformation and privatization, while parts of them were closed (Iliev et al., 2014). Dominant issues that the tourist enterprises were faced: the low capability of enterprises to adapt to the demands of domestic and international markets; lack of advisory business tourism infrastructure; unfavorable financial services for new and small businesses, i.e. interest rates were too high, the procedure for obtaining financial support was complex and expensive etc. (Iliev, Kitevski, 2016).

The structure of the accommodation capacities is unsatisfactory from the aspect of the level of equipment, offer and the quality of the services. In

the hotel sector, there are mostly lower categories of hotels and those with more bedded rooms. Also, there were not any high-class hotels in the country (Spatial plan..., 2004). In this period, Macedonia had a lack of international hotel brands, thus reducing the ability of the country to attract foreign tourists (Iliev et al., 2014).

Regarding the geographical distribution of accommodation capacities, 80.5% of the total capacities were located in the lake places, 6.3% in the capital Skopje, 4.7% in the mountainous places, 2.7% in the spa places, and 5.9% in other places (Spatial plan..., 2004). There was a lack of quality hotel accommodation outside Skopje, Ohrid, Struga and Mavrovo (main tourist destinations). There were examples of overestimated categorization of accommodation facilities that did not correspond to the real standards. One of the major problems was the “grey accommodation”. A large part of the facilities in private ownership did not register their tourists, and in that way avoided paying the tourist tax which was not in favour of the municipalities and the state (Iliev et al., 2014).

In the process of privatization of tourism companies and facilities there was a problem related to the dismissal of surplus employees and the increase in unemployment. The problems left a mark on the operation of tourism enterprises as low-quality services, delayed modernization, which further reduced the country’s competitiveness as a tourist destination (Iliev, Kitevski, 2016). In the period after 1991, there is declining employment in the catering establishments (tab. 2), which coincides with the number of the touristic arrivals and the realized foreign exchange earnings in the country. The problem with the operation of the so-called grey economy was

Tab. 1. Number of tourists and number of nights spent (1991–2001)

Year	Number of tourists			Number of nights spent		
	total	domestic	foreign	total	domestic	foreign
1991	710,278	415,955	294,323	2,740,484	2,164,146	576,338
1995	503,837	356,830	147,077	1,804,310	1,528,561	275,749
2001	333,308	234,362	98,946	1,254,582	1,041,831	212,751

Source: Tourism..., 2013.

Tab. 2. General development overview of catering trade and services (1991–2001)

Year	Catering trade and services			Number of employees
	Number of catering business units	Beds in catering trade and services, private rooms and vacation facilities	Seats	
1991	3,663	80,296	163,703	12,764
1995	2,543	78,913	133,431	9,946
2001	1,772	74,130	128,274	10,070

Source: Statistical..., 2013.

obvious. It was very difficult to record the total workforce in the tourism sector, due to a grey tourism economy in the country (e.g. unregistered accommodation facilities, unregistered touristic workers, seasonal unregistered persons etc.).

Finally, because of the political and economic circumstances in the region of the Balkans and in the country itself, there was stagnation and a decline in the tourism turnover in Macedonia. Thus, instead of the rapid growth of the tourist economy, anticipated for the period 1985–2000, and the estimates for increasing the number of beds by five times and the number of nights spent by seven times, were not realized (Spatial plan..., 2004). Therefore, the period 1991–2001 is characterised as relatively bad period in the tourism development in Macedonia, where the domestic tourism had the principal place. There are some major reasons for the bad results in tourism development, some of them are more important: the no competitiveness of Macedonia on the international market; inadequate tourist offer and modest tourist propaganda and presentation on the international tourism market; long period of transformation of tourist enterprises and unfinished privatization; unstable economy and unfavourable political and security situation; and high unemployment rate.

4.2. New life cycle of tourism in Macedonia

One of the aims of the study was identifying the new tourism life cycle of Macedonia. Figure 2 offers a graphic presentation of data on the key variables

(total tourist arrivals and total tourist nights spent), which are necessary for determining these goals.

The period 2002–2018 contains only three stages: exploration, involvement and development (fig. 2).

4.2.1. Exploration Stage (2002–2004)

This is a stage of political, security and economic stabilization of Macedonia. The Government of the Republic of Macedonia identified tourism, together with agriculture, as a priority sector for development. In 2003, the “Global Study on Tourism in the Republic of Macedonia” was developed, but it was not implemented (National..., 2009). Later, the Ministry of Environment and Physical Planning, according to the order of the Government of the state, has prepared a spatial development strategy “Spatial Plan of the Republic of Macedonia” with a special sector study “Tourism Development and Organization of Tourist Areas”. This sector study has offered long-term goals for the development and organization of the country’s tourism offer, which defines a total of 10 tourist regions, 54 tourist zones and 200 tourist sites. However, tourism in the first years after the war in the country did not achieve the desired level of development. After political stabilization in 2002 the tourist arrivals have jumped to 441,712, and in 2004 to 465,015. Generally, during the exploration stage (2002–2004), tourism in Macedonia was characterized by the unfavourable structure of accommodation capacities (in terms of basic and complimentary accommodation facilities); seasonal use of accommodation facilities; low-level of equipment, poor supply and quality of services (Spatial plan..., 2004);

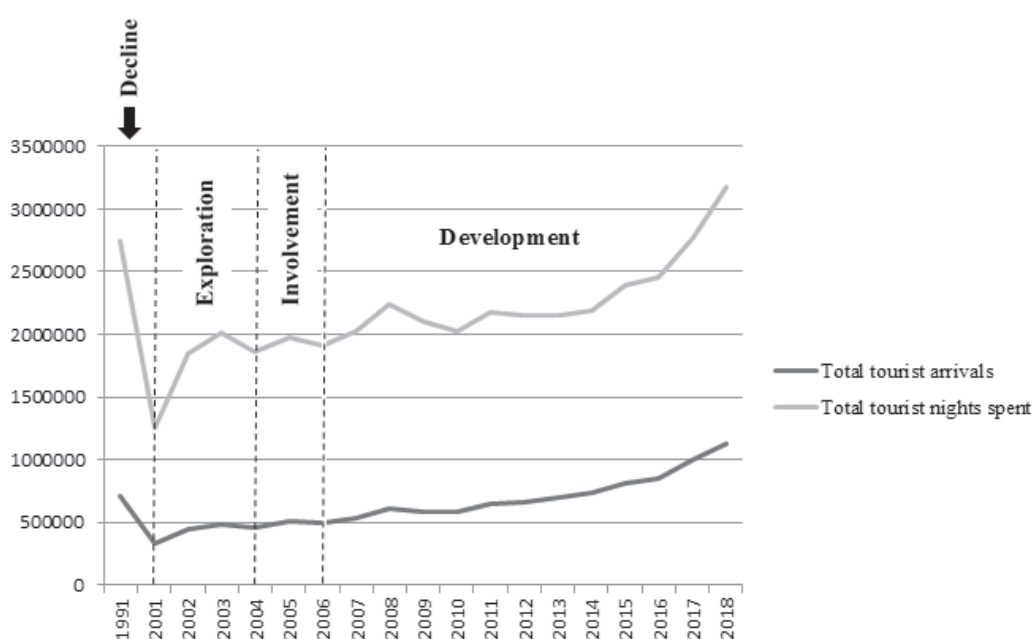


Fig. 2. Life cycle of tourism in Macedonia, 1991–2018

Source: Made by the author based on the data from the State Statistical Office.

a lack of marketing strategy and insufficient presentation of the country on the international tourism market; the absence of a specific tourism product offer; the growth rate of tourism had no significant impact on the country's economy.

4.2.2. Involvement Stage (2005–2006)

In December 2005, at the European Union summit in Brussels, Macedonia received the status of a candidate country for membership in the European Union. This EU decision positively influenced the country's economic and tourism development. The development rate in 2005 was 8%. GDP per capita is 2,550 euro. Inflation is low, slightly above 2%, while the national currency – denar is tied to the euro and is stable. Unemployment is at an unacceptably high level of 36% (National..., 2009, p. 2). Foreign exchange earnings from tourism have steadily increased, so in 2006 they exceeded 100 million euro (Iliev et al., 2014). The number of foreign tourists has increased dramatically in the last few years after resolving some of the regional problems. Thus, from 122,861 foreign tourist arrivals in 2002, that number increased to 202,357 in 2006. In the same period, domestic tourism decreased from 318,851 to 297,116 tourist arrivals (Tourism..., 2011), thus the domestic market failed to follow the upward trend in the foreign market. In general, the awareness of the importance of tourism for the country has increased significantly among the authorities, people involved in the tourism sector and the local population.

4.2.3. Development Stage (2007–2018)

Regional political processes, general economic conditions and increased awareness of tourism influenced the trends of tourist arrivals and economic development of the country. The growth rates of the gross domestic product of 6.1% in 2007 and 5.0% in 2008, are the highest ever in the country's development. In this period, the contribution of the tourism sector to the gross domestic product of the country is somewhere between 2.3% in 2007 and 2.7% in 2008 (National..., 2009). In 2009 followed a period of global economic crisis, so that the real GDP rate in the country declined to 0.9% (Iliev et al., 2014). After the global economic crisis following a period of recovery of the national economy where the real growth rate of GDP ranges from 2.9% in 2010 and 2.8% in 2011. Later, in Macedonia, tourism contributes 5.2% to national GDP in 2014 (National..., 2016). The total amount of travel and tourism in GDP was 288 USD per capita (National..., 2016). In 2014 about 4.7% of the Macedonian labour force was directly or indirectly employed by the tourism industry. Since 2008/2009 (when there were 27,000 employees), the

number of people employed in the tourism industry in Macedonia has steadily grown, reaching 33,100 in 2014 (National..., 2016).

During this period, a new development strategy for tourism for 2009–2013 was prepared. It aimed to provide the necessary confidence of the involved actors in tourism, foreign and domestic investors, as well as international donor agencies, to devote themselves to tourism in the Republic of Macedonia (National..., 2009). The strategy also aimed to enable the allocation of IPA funds in the field of tourism in the most efficient way. Later, a new national tourism strategy was developed in 2016, for assessing the proposed actions of the previous strategy and proposing new development directions. The second national tourist strategy identifies regions and products not yet discovered.

The development stage (2007–2018) was characterized by a continuous increase in the number and nights spent of tourists (fig. 2). So, Macedonian tourism is in constant change. The registrations of foreign visitors in accommodation facilities in 2007 reached/exceeded the 2000 level. This recent recovery has been sustained with a solid growth of 10.8% in 2008 despite the unfavourable international economic situation that begins to affect travel decisions (National..., 2009). After the downward trend in 2009 and 2010, the number of realized annual arrivals has been increasing in the next years until 2014 reaching around 735,650 arrivals. Macedonian tourism recorded a record number in 2018 with 1,126,935 total tourists and 3,176,808 total nights spent (State Statistical Office – MakStat database).

The year 2018 reflected the highest number of foreign tourists and their overnight stays in Macedonia's history since independence, with 707,345 foreign tourists and 1,491,535 nights spent, which were 5.8 times higher than the number of foreign tourists and 5.4 times higher than foreign nights spent recorded in 2002. Regarding the foreign market, the most important are Turkish tourists with 166,620 nights spent (with a market share of 5.2% and an average stay of tourists 1.5 days), and Dutch tourists with 136,663 nights spent (with a market share of 4.3% and average stay of tourists 4.9 days). Then follow: Polish, Serbian, Bulgarian, Greek and German tourists (State Statistical Office – MakStat database).

By comparing arrivals from domestic tourists with foreign – the characteristic is an interesting pattern of development – while the number of registered arrivals from Macedonians decreased by about 40,000 between 2008 and 2014 (negative annual rate of 2.0%), the number of foreign arrivals is increased by 170,000 (positive annual rate of 8.9%) (National..., 2016, p. 10). Similar, the number of domestic

overnight stays decreased to approximately 400,000 in the period 2008–2014 (negative annual growth rate of 4.2%), on the other, an increase of approximately the same number of nights spent by foreign tourists was registered (positive growth rate from 7.8%) (National..., 2016). Although the share of overnight stays of domestic tourists decreased, however, with an average stay of 4,02 days in 2018 they remain an important market (tab. 3).

The accommodation particularly in the area of hotel accommodation, marks significant progress in the quality of services. The number of beds in hotels has increased from 10,364 in 2008 to 21,530 in 2018 (State Statistical Office – MakStat database), with the highest increase in the 4-star hotel segment. As well, there is an increase in the number of beds in hotels with 5 and 3 stars, while the decrease in hotels with 1 and 2 stars is noticeable. The entrance of several well-known hotel brands like Marriott and Hilton provides confidence in the general quality of accommodation offered and attracting new investors in this sector.

The largest numbers of beds are still in the category of “private accommodation facilities” with 26,780 in 2018 and share of around 35% of the total volume (State Statistical Office – MakStat database). In 2018, most of the registered overnights (87%) are realized in the hotels and facilities for private accommodation. Overnight stays of foreign tourists are mainly in hotels (91%), while the largest number of

nights spent by domestic tourists is realized in private accommodation (57%). It is assumed that the number of nights spent in private accommodation facilities is considerably higher, but due to the grey economy, it is very difficult to determine the real situation.

During the development stage, the government of Macedonia played a major role in encouraging the development of tourism. One of the priorities was the modernization of the airport infrastructure in the country. In 2008, the Macedonian government signed an agreement with the Turkish company TAV for concession at the airports in Skopje and Ohrid (National..., 2016). Hungarian low-cost airline WizzAir has included Macedonian cities and resorts in their networks. These conditions significantly increased the number of passengers, and in 2018 a record number of 1.8 million passengers were registered at the Skopje International Airport and the Ohrid St. Paul the Apostle Airport. In addition, in 2007, the Government established the Agency for Promotion and Support of Tourism (National..., 2016), whose goal is the international promotion of Macedonia, subsidizing tour operators and encouraging the development of tourism in the country.

Despite the growth of tourism in Macedonia, the travel and tourism competitiveness index, of Macedonia in the world's tourism market has not changed significantly (tab. 4).

Tab. 3. More important indicators in tourism development

Indicator/year	2012	2018
Average number of overnights – total	3.24	2.82
Average number of nights - domestic tourists	4.29	4.02
Average number of nights - foreign tourists	2.31	2.11
Participation of domestic tourists in the total number of tourist arrivals, in %	47.10	37.23
Participation of foreign tourists in the total number of tourist arrivals, in %	52.90	62.77
Participation of domestic tourists in the total number of overnight stays of tourists, in %	62.30	53.05
Participation of foreign tourists in the total number of overnight stays of tourists, in %	37.70	46.95
Participation of foreign tourists in hotels in the total number of tourist arrivals, in %	89.50	92.29
Participation of foreign tourists (overnight stays) in hotels in the total number of nights spent by foreign tourists, in %	87.30	91.12
Net rate of use of beds in hotels and similar capacities, in %	n/a	26.40

Source: State Statistical Office – MakStat database.

Tab. 4. The competitiveness of Macedonia in the world's tourism market

Year	2007	2008	2009	2011	2013	2015	2017
Index value	3.81	3.68	3.81	3.96	3.98	3.50	3.49
Position in Europe	38	38	37	37	36	34	n/a
Position in the world	83/124	83/130	80/133	76/139	75/140	82/141	89/136

Source: Travel..., 2007, 2008, 2009, 2011, 2013, 2015, 2017.

Most of the countries in Southeast Europe are better ranked than Macedonia, such as Greece (24 rank), Croatia (32 rank), Slovenia (41 rank), Bulgaria (45 rank), Montenegro (72 rank) (Travel..., 2017, p. 9). Macedonia is better ranked only from Serbia (95 rank), Albania (98 rank), and Bosnia and Herzegovina (113 rank) (Travel..., 2017, p. 9). The regional competition on the tourism market is very strong. Therefore, Macedonia should use the comparative advantages and offer a diversified, original and competitive tourism product which it will compete on the regional and international tourism market.

Generally, in the development stage a modern tourist infrastructure was being created, also emerged new travel agencies, accommodation facilities and information centres; tourism development plans and strategies were projected and care for the natural environment and cultural landscape were especially targeted. This stage also witnessed new tourism products, developing new and attractive promotional materials, marketing campaigns were aimed at changing the stereotypical image of the country, identifying priority markets, a new national tourism logo and slogan, regulating illegal accommodation, harmonizing criteria for categorization of accommodation with European standards, the entry of new high-quality international hotels, the provision of favourable conditions for low-budget carriers, and finally strengthening the awareness of the Government and the private sector and the local residents for the role of tourism in the economy.

5. Discussion and conclusion

The study examines the evolution of tourism during the post-socialist period of Macedonia through a systemic analysis that identifies key changes in tourism. The research revealed two distinctive periods in the development of tourism in the post-socialist period of Macedonia: (1) Period of decline in tourism development (1991–2001), and (2) New Life Cycle of tourism development with three stages: exploration (2002–2004), involvement (2005–2006), and development (2007–2018). By the late 1990s, Macedonian's tourism industry had entered the decline stage and the country was not ready to receive an increasing number of international tourists. However, the period after 2001 was a period of stabilization and growth of the national economy, larger economic activity and investment, growth of the GDP and its greater openness to world markets (Iliev et al., 2014). The contribution of the service sector to GDP tended to increase. Analysis in the study indicates a dynamic and ongoing increase in total

tourist arrivals and nights spent, accommodation facilities, beds, employees etc. Macedonia appears to be at the early development stage of the Butler (1980) model. The entry of the Turkish company TAV, Hungarian low-cost airline WizzAir, hotel brands like Marriott and Hilton mark achievement of the development stage. However, it should be noted that the weaknesses of existing data available for the tourism sector impose certain obstacles on the analyses. The lack of data available for the tourism sector means a heavy limit for more serious analytical approach in the research of the real economic value of tourism in the economy of the country.

Because tourism in Macedonia has shown an unlimited potential for growth, despite economic recessions, it appears that numbers of tourists will continue to increase. The sustainability of the growth of tourism in the development stage will depend on the quality and competitiveness of the tourism product, the marketing campaign, the level of cooperation of the stakeholders in the tourist industry, and the overcoming of potential threats that could push tourism into a possible decline. According to the Kohl and Partner (National..., 2016) major threats could be: political and economic instability, faster and more professional development of tourism in competing neighbouring countries, non-coordinated development, insufficient financial resources for development and marketing of tourism, non-effective use of financial resources, weak organizational structure within the public administration, low-budget carriers decide to reduce the number of flights, global crises (e.g. terrorism, refugees).

In analysing and predicting the development of tourism in Macedonia, attention should be paid to the unpredictable nature of the dominant socio-political and economic exogenous factors that influence the development of tourism. Most often, these exogenous factors are beyond the control of the creators of tourism policy and tourism planners, and it is very difficult to forecast their future long-term tendencies and impacts on tourism development.

As well, the aim of the study was to evaluate the applicability of the Butler (1980) model to the post-socialist tourism development in Macedonia. Thus, the study has comment on the validity of Butler's (1980) model for application to Macedonia, as well as its usefulness as a conceptual framework for the analysis of the evolution of tourism in the post-socialist period of the country. As supposed by Butler (1980), the evolution of tourism in Macedonia should progress gradually from the consolidation to stagnation stage before entering the decline stage. Tourism in Macedonia has not yet entered the consolidation stage. According to L. Hwang (2017) when

a destination reaches the consolidation stage the limits of growth start to become obvious. Although total numbers of tourist will still increase, however, the rate of the increase in numbers of tourist will decline (Butler, 1980). In the consolidation stage, the total number of tourists may exceed the number of permanent residents (Butler, 1980). L. Hwang (2017, p. 4) says that “the destination may attempt to use marketing to offset the slowing growth by extending the tourism season beyond traditional dates and by focusing on specialized cohorts of tourists”. However, these efforts cannot contribute enough to achieve the growth from previous stages.

Butler’s model, despite its shortcomings (e.g. model is not helpful as a forecasting tool for future long-term tourism development in Macedonia), however, based on the Macedonia case study, it can be determined that the model is a helpful conceptual frame, and can be used in the systematic analysis and explanation of complex social and economic processes of tourism development.

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