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DI MILANO BICOCCA  
Faculty of Sociology

Doctorate URBEUR  
Urban and Local European Studies

**Informal Housing in the Framework of Housing and  
Welfare Systems in Post-Communist Croatia**

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XXVI Ciclo

**DOTTORATO DI RICERCA IN**

**STUDI EUROPEI URBANI E LOCALI – URBEUR XXVI CICLO**

(Afferente alla Scuola di Dottorato in)

**STUDI COMPARATIVI E INTERNAZIONALI IN SCIENZE SOCIALI – SCISS**

**ANNO**

2015/2016

**ESAME FINALE TITOLO ACCADEMICO**

**DOTTORE DI RICERCA**

**DOTTORATO SEDE AMMINISTRATIVA**

**UNIVERSITÀ DEGLI STUDI DI MILANO - BICOCCA**

## Acknowledgement

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## INTRODUCTION

Informal construction is generally defined as construction development that lacks appropriate formal authorization. In South and Southeast Europe informal construction occurred more frequently than in other parts of Europe with housing accounting for the biggest part of informal construction (Tsenkova, 2007, 2009b). The general hypothesis on informal housing construction is that endangered social groups are unable to afford housing on the formal market. However, research on informal construction both in Southeast European and South European housing systems shows that this is only one of many types of informal construction and that the complexity of the origins and the development of informal construction are path dependent (Tsenkova, 2009a; Zanfi, 2008; Berdini, 2010; Potsiou et al., 2006).

In the case of Yugoslavia, informal construction was a counterpart of the individual housing construction. In the majority of planning documents zones for the individual housing construction were restricted and marginal with state-directed housing policies neglecting its existence in most periods. At the same time due to the lack of stable monetary policy throughout most of the periods, house was the safest investment. Structure of housing loans related to specific type of Yugoslav self-managed socialism in some periods pushed citizens towards individual housing construction. The result was that individual housing construction was greater in Yugoslavia than in other socialist countries and the difference between portions of the territory with planned individual construction and informal individual construction in most of cases did not differ significantly. So in general, it can be stated that individual housing construction was ideologically unacceptable in Yugoslavia, but it was tolerated in the same way in which all grey economy was tolerated (Bičanić et al., 1988). It is in this context that its onset can be observed along with social position of informal builders and later transformations in the post-communist period.

It is difficult to give an encompassing definition of informality in construction. In most South European and Yugoslavian cases ownership over land is legal, while building is not; in some cases, parts of the house are legal and in accordance with building regulations, however redevelopments are illegal. The informal construction is, to a certain extent, connected with the payment of communal taxes since the legality defines the obligation to pay communal taxes. This relationship is, however, case sensitive; sometimes it reflects

the lack of “stateness”, i.e. the lack of general belief that the state is a problem solver. The problem is even more complex in practice: in most cases even after paying communal taxes municipalities are not obliged to provide infrastructure for the constructed sites and therefore, the lack of willingness of the builder to respect the taxation and legalize the building can be seen, in some cases, as a pragmatic decision. This counters the general hypothesis around informal construction that endangered social groups are unable to afford housing on the formal market.

In respect to this, when trying to define informal construction it is impossible to give one definition of the phenomenon: One should rather reflect on heterogeneity of it, define the diverse types and relate them within wider socio-economic frame. It is in this context that this research will explore specific types of informal construction which reveals the changed role of informal construction in the post-Yugoslav social space. Also, an insight on the social position of informal builders in both periods will be provided, which also relates to social and economic class struggles.

Previous researches, although seemingly on the separate poles either observing the informality as the crisis or as an expression of creativity of the poor, saw informality as fundamentally separated from formality (Roy, 2005). In the most researches informal construction is explored through the lenses of land use and only recent researches have started to observe it as a property issue (Roy, 2005; Mcfarlane, 2012; Legrand, 2013), in other words moving from the questions on where things belong to the questions – to whom they belong. This is why our research will be focused on the inhabitants of the informal construction, but even more it will be focused on the role of informal construction within different housing and welfare systems.

The aim of this thesis is to analyse the informal construction in South-East European countries, through case study of Split, Croatia during the post-communist transition.

According to what is previously said, hypothesis was formulated and states that the typology of informal housing can and should be analysed only within the welfare and housing system (Allen et al., 2004; Arbaci, 2007) in order to properly understand the phenomenon. This hypothesis assumes that informal housing is not homogeneous phenomena and identification of different types of informal housing can be understood and resolved in more meaningful manners.

Thus, the main objective of this research is to develop the methodology for informal construction analysis. The first step is building the ideal types of the informal construction, then model of analysis of informal housing as the part of the local housing systems. Taking into consideration changes in the socio-political and socio-economic contexts in both communist and post-communist periods, the issue of informal construction will be approached as a complex phenomenon that cannot be separated from the social conditions that generated it, nor from the institutional context in which it is embedded. For this purpose, the metropolitan area of the city of Split, Croatia is selected as the research area. Four specific neighbourhoods will be explored in order to analyse the informal housing construction using ideal types.

The thesis is structured through six chapters. After introductory chapter, the second chapter discusses the transition of the welfare and housing systems in post-communist countries and highlights the specific characteristics of Croatia. Attention is given on different ways in which the diverse housing systems, as part of wider welfare systems, influence the phenomena of informal construction. The third chapter presents the research design and methodology that will be used to develop typology, test it and finally construct the proposal of the ideal types. The analysis is conducted at the city level in order to define informal construction in relation to the local housing system. In the fourth chapter the results of the analysis are presented. First part of this chapter outlines the legal framework of informal construction in communist and post-communist Croatia and the structuring of the housing system in the Metropolitan Area of Split in both periods. This is followed by the hypothesis of the ideal types of informal construction, which forms the baseline for the selection of type-related neighbourhoods. The survey on informal construction inhabitants was used in order to test the typology and gain qualitative dimension on the informal construction characteristics. Fourth chapter ends with the proposal of informal housing typology. Results of the research, methodological and other issues that arose from the research are discussed in fifth chapter. The thesis ends with the sixth chapter which delivers the conclusion.

## **PART I**

### **THEORETICAL FRAMEWORK**

# **1. INFORMAL CONSTRUCTION**

## **1.1. INTRODUCTION**

Informal construction is generally defined as housing development that lacks appropriate formal authorization. In Croatia the greater part of housing can be classified as informal construction and this is a feature that is shared by other countries in the region (Tsenkova, 2007, 2009b). This is why this analysis needs to include the housing systems with their wider societal context, in particular – welfare systems.

The most common understanding of informal construction is that deprived social groups are unable to afford housing in the formal market and that poverty and social exclusion are the key drivers of the formation of illegal settlements in most countries (Edgar, 2009). However, many recent studies have shown that poverty and social exclusion as the main drivers of informal housing are just some of the factors. Considering, for example, Tsenkova (2010), who shows that historical development of informal settlements in Southeast Europe is diverse in terms of standard of living, location and size, the author distinguishes informal settlements ranging from slums to luxurious residences, with locations from suburbs to city centres and protected areas, and size that includes both several small units and settlements of over 50.000 residents.

As it will be seen, there are various types of informal housing but some of the most important characteristics include the informal nature of residency and non-compliance with land-use plans (Tsenkova, 2010). Furthermore, some studies point out additional features such as lack of secure ownership, lack of basic services, housing that violates city bylaws, housing built on land not owned by the housing owner, inadequate access to basic public services, substandard housing or illegal and inadequate building structures, the illegal subdivision of settlements, poverty and social exclusion, unhealthy and hazardous living conditions (UN-HABITAT, 2003; Payne and Majale, 2004).

Temporal dimension of informal settlements is also important in the Southeast European context. The strong urbanization in the 1960s and 1970s, triggered by industrialization and littoralization, resulted in the influx of working families into periurban areas. However, the informal nature of these settlements was primarily associated with the lack of formal urban planning and/or building permits and not with substandard quality of

construction or illegally occupied private land. On the other hand, in the 1990s, especially in post-socialist cities affected by the refugee crisis triggered by the political instability and wars in the Balkans, new practices of illegal construction in urban informal settlements appeared in cities such as Tirana, Belgrade, Tbilisi and Bucharest (Tsenkova, 2010).

In order to address the issue of informal construction it is necessary to observe it as a complex phenomenon that cannot be separated from the social conditions which generate it, nor from the institutional context in which it is embedded. It is necessary to explain the origin and dynamics of informal construction from the aspect of informal construction in relation with structure of the housing system and its wider societal context – welfare system.

In the following subchapter through analysis of the literature on dealing with welfare regimes, welfare systems and housing it will be explained why welfare systems are the necessary starting point for the analysis of the housing system. In the second part of the chapter the relationship between housing systems and informal construction is going to be outlined. In the context of radical transformation of communist countries, it is important to point out that welfare regimes are influencing the ideological factors which are crucial in understanding the long-term approach towards housing in any country. Therefore, the first task of this thesis is to identify legacy from the Yugoslavian period, but also to understand the changes related to the radical transformation of the society. Then it will be possible to identify the underlying differences between the two periods in structuring of the housing systems, with focus on the need for a new explanation of the informal construction that will be grounded in contemporary circumstances.

## 1.2. WELFARE AND HOUSING SYSTEMS

Housing has been one of the four major pillars of the modern welfare states and from its formation it had always been recognized as a key aspect of security, health and well-being. However, the analysis of this relationship has been quite complex and even contradictory. Scholars variously described housing as the “wobbly pillar” of the welfare state (Torgersen, 1987) due to the particular position of housing systems between welfare state and market and this relationship initially proved to be especially hard to analyse in countries where state has minimal role in the housing provision (Allen, 2002).

With the growth of the research dealing with the divergence perspective<sup>1</sup> in the comparative housing studies, the relationship between housing and welfare became both more theoretically explored and empirically researched. The work of Esping-Andersen (1990) is especially important as it provided main theoretical background in this field and became sort of a “theoretical catalyst” in the several fields of research since the beginning of 1990s (Arbaci, 2007; Matznetter, 2010).

In order to outline the main concepts and debates concerning the correlation of welfare and housing and the particular position of East European countries in this debate the main approaches within comparative housing studies will be distinguished and divergence perspective positioned in the relation with other perspectives. Second part of this chapter will introduce the concept of welfare regimes as outlined in the work of Esping-Andersen and welfare systems as configurations of the wider social institutions that deliver welfare, particularly important for the research of housing in the countries where state intervention in housing is limited.

Initially housing research has been characterised by the particularistic and empiricist approaches in which each country is seen as unique. This research was conceptually explicated and highly empirical where researchers mainly juxtaposed housing system of different countries without any coherent attempt to find a common analytical point and generalized it. At the other extreme, Kemeny and Lowe (1998) have identified universalistic approaches in which all countries are seen as being subjected to the same overriding imperatives, therefore they are seen as converging alongside the same

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<sup>1</sup> According to Kemeny and Lowe (1998) since the 1970s comparative housing research has become one of the major fields of research in the social sciences and within it they have identified three distinct approaches – juxtapositional analysis, convergence and divergence perspective.

transformative lines. In the different strands of the “convergence approach”<sup>2</sup> dominant during the whole 1990s those imperatives affecting all countries are either ‘the logic of industrialism’, capitalist market failures, the structural drive to increasingly comprehensive welfare states or it is opposite of the privatisation and recommodification of welfare (Kemeny and Lowe, 1998). The convergence approach is still extremely important in the analysis of the East European housing, dominated by “transitional” studies which are underlined by convergent assumptions.

The third perspective discerned in the comparative housing studies is a divergence perspective or the studies which attempt to develop ‘theories of the middle range’ and to identify typologies of housing systems. It follows the critiques of convergence theories grounded in the globalisation discourse, particularly in housing realms, but also in other fields of urban comparative studies (for example as a reaction and a critique of the transatlantic discussion on social polarization and inequality). Those studies are often basing their theoretical framework on the theories developed in other areas of social science analysis, most influential among which is the Esping-Andersen welfare regime approach<sup>3</sup>.

Studies developed within divergence perspective are based on the assumption that “given the differences in economic, demographic and urban development processes, and particularly in ‘welfare arrangements, global economic pressures do not have the same effect in changing patterns and problems in all cities” as the convergence perspective would assume (Arbaci, 2007: 407). Consequently, the differences in the welfare arrangements limit convergence and those differences mediate global pressures and local outcomes. The analysis of “welfare arrangements” is conceptualised mainly through the welfare regime approach of Esping-Andersen. In *The three worlds of welfare capitalism* Esping-Andersen (1990: 2) introduces the concept of welfare regimes in order to explain

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<sup>2</sup> In several later works Jim Kemeny further explains the problems that emerged with the globalization thesis as one of the strongest cases for the convergence perspective. The assumption behind the globalization thesis that there is anything inevitable, unidirectional or predictable about future change, seems to be little more than a belief that a single world market is emerging, which does not add very much by way of explaining why to the explanations provided by its predecessors of world capitalism, colonialism, industrialization and the convergence thesis. Divergent perspective does not deny that at some point convergence is also taking place, but does in a highly complex process of uneven and differentiated change.

<sup>3</sup> As mentioned earlier, the main theoretical background for developing various strands of the research based on the divergence perspective was the work of Esping-Andersen which became a “theoretical catalyst” in the several fields of research since the beginning of 1990s (Arbaci, 2007; Matznetter, 2010).

that “contemporary advanced nations cluster not only in terms of how their traditional social-welfare policies are constructed, but also in terms of how these influence employment and general social structure”. Esping-Andersen (1990: 2) uses the concept of regime to denote the fact that in the relationship between state and economy “complex of legal and organizational features are systematically interwoven.” The work was thought as a tool for analysing the dynamics of the labour markets, conducting large cross-national analysis of the welfare policies, and did not refer to housing. However, in order to understand its application in the comparative housing studies within the divergence perspective it is necessary to outline some basic elements of Esping-Andersen approach.

In *The three worlds of welfare capitalism* (Esping-Andersen, 1990) twenty-seven of OECD<sup>4</sup> countries are classified in welfare regimes on the basis of their income-maintenance system differentiating three types of welfare regimes: conservative, liberal and social-democratic. Welfare regime types are defined on the basis of three components (decommodification, social stratification and programme design), for which he constructs at first a theoretical definition upon which he later bases a set of quantitative indicators. Unlike Esping-Andersen most of the housing research is not using welfare regimes as classifications of the countries, but an ideal typical analytical tool. As Allen (2006) noted, the use of welfare regimes as ideal typical analytical tool privileges Esping-Andersen theoretical framework, but shows how specific countries embody tensions between regime types, which reflect their historical paths of development. She, for example, uses the full data set to reanalyse European countries to highlight those tensions. In line with this use of welfare regimes Barlow and Duncan (1994) analyse housing provision system in four countries which they have selected as archetypical examples of each welfare regime type defining the general nature of their housing system associated with each regime type.

Hence for the further research of informal construction it is important to understand that comparative housing research has shown that welfare regimes are influencing the ideological factors which are crucial in understanding long term approach towards housing in any country. This is especially important in the context of radical transformation of communist countries. In order to understand the nature of their

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<sup>4</sup> The Organisation for Economic Co-operation and Development (OECD) is an intergovernmental economic organisation with 35 member countries, founded in 1961 to stimulate economic progress and world trade.

housing systems it is necessary to identify path-dependences from the Yugoslavian period, but also the important path ruptures related to the radical transformation of the society. As outlined in the work of Barlow and Duncan (1994), this does not mean only the politics of particular governments, but a more general societal ideology influencing attitudes and expectations about welfare, states and markets which radically changed in the post-communist period (Barlow and Duncan, 1994)<sup>5</sup>. It is in this context that we should observe the informal construction of the communist and post-communist periods, identifying the nature of the housing systems and their wider societal context of welfare systems.

Beside uses of welfare regimes as an ideal typical tool, the introduction of the concept of welfare systems in the comparative housing research seems to be important for the understanding the wider context of informal construction and housing systems in the post-communist period. In her work on welfare in Southern Europe Allen (2006) identifies crucial factors and does not include only interventions of the state and a state market nexus, which was the core in Esping-Andersen's design of welfare regime. Building on the Kolberg's and Uusitalo's concept of welfare system she also includes wider social institutions such as family, deficit of stateness and dualistic labour market (Kolberg and Uusitalo, 1992).

According to Allen (2006) the concept of welfare regimes was designed to guide large-scale cross-national studies, while the concept of welfare systems is designed to guide smaller-scale investigations by "deepening and widening their institutional scope". Welfare systems are defined as configurations of the wider social institutions that deliver welfare to households or individuals: family, market and state. Kolberg and Uusitalo (1992), considering also East European countries, argue that the institutions which need to be examined are: family, labour market and welfare state, because they are mutually dependent and linked into a single, larger institutional complex. In order to understand informal construction, it is necessary to distinguish the functioning and the configuration of this larger complex of institutions, which can help us to explain specific institutional forms.

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<sup>5</sup> On the nature of the Croatian post-socialist welfare systems see Zrinščak (2003), Stubbs and Zrinščak (2007) and Bežovan (2008).

The last important insight in the relationship between housing and welfare is the work of Arbaci (2007) which connects two strands of the housing systems research – housing tenures and housing provision. Building on the work of Kemeny on the unitary and dualist rental systems and correlating it with the work of Barlow and Duncan on the structuring of housing provision Arbaci provides some important insights on informal housing by identifying self-provided, informal and/or illegal housing as the counterpart of the social rented sector within a dualist rental system.

### 1.3. HOUSING SYSTEMS AND INFORMAL CONSTRUCTION

In this section the literature on the housing systems in the East European countries will be analysed with emphasis on Croatia in an attempt to highlight the main features of the communist and post-communist period.

When discussing housing under socialism the most common reference is the text of Hegedüs et al. from 1996 in which they outlined the basic characteristics of what they called East European Housing Model (further in text: EEHM). As most of the works based on the convergence perspective in the housing studies, this model disregards the differences between states as mere variations of the model, basing it on the assumption that there are some structural resemblances of the housing systems of East and Central European socialist countries (Kemeny and Lowe, 1998). Those common features could be summed up under two basic points. The production, consumption and allocation of the housing were state dominated, while the function of the market was kept restricted and subordinated. The second distinctive feature was that the status of housing was defined primarily as a social right, instead of a commodity and this was expressed through the housing systems (Hegedüs et al., 1996; Hegedüs, 2007; Mandič, 2009).

The position of social housing in the EEHM cannot be easily defined, since the state in the broad definition (not only a central government, but also state-owned enterprises) controlled both demand and supply side of the housing. The housing was allocated according to the „merits“<sup>6</sup> defined by each country individually and as a consequence of the artificially low prices there was a huge shortage in the housing. The result was a type of „dual housing market“, which was characterized, aside from the state controlled housing sector, informal parts such as: self-help buildings, private real estate market transactions, a market for sub-tenancy and a small entirely private rental sector (Hegedüs et al., 1996). In this respect in most countries there were no sub-sphere that can be called social housing since the predominant model was state housing or public housing in which there was a possibility of housing provision of different tenures – rental, cooperative and owner occupied (Mandič, 2009; Hegedüs, 2007). So, excluding public rented housing,

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<sup>6</sup> Public housing, especially the most prominent public rental housing, implied a universal accessibility by the people in need and it was the basic characteristic of the socialist housing model. This is why the first criticism was precisely about it, i.e. its permanent shortage, long waiting periods and favouring “nomenclature” (Szelenyi, 1983).

home ownership was developed to the considerable extent (Lowe and Tsenkova, 2003). However, the position of home ownership was under the influence of numerous restriction although those restrictions varied significantly over time and across countries. The hypothesis of the existence of an East European model has been argued by Lowe (1994) and Kemeny and Lowe (1998) as they stated that “insignificant variations” account for the most important critical differences between countries. Lowe’s considerations on Hungarian housing system have proved that the for most of the time majority of population was outside the formal housing system and even within the state rental sector there was a large scale market of housing exchanges. In line with this the dualism of the Yugoslav formal housing system can be understood as well as issues that arose from to the informal construction related to the population which was outside of the formal housing system.

### **1.3.1. YUGOSLAVIAN HOUSING SYSTEM**

As far as Yugoslavia is concerned, according to Mandič (1992)<sup>7</sup> three dominant models of housing systems have been developed over time: the statist model in the 1950s, the liberal in 1960s and the self-managed in the 1970s and 1980s.

In their paper Mandič and Clapham (1996) were testing the first instances of confusing hypotheses that Yugoslavian society, which was supposed to be a collectivist society based on the model of self-governance, has inclination towards home ownership. It is important to note that they restricted their research on Slovenia and the factors outlined in their article should be tested for other post-Yugoslavian countries, namely Croatia and its coastal part and to one specific period of Yugoslavian socialism. However, the paper points to some interesting features of the institutional design of the Yugoslavian housing system in the “self-managed” period. The specificities of the Yugoslavian political system in regard to other communist countries is well documented<sup>8</sup>. In the 1960s it abandoned

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<sup>7</sup> Despite addressing models of housing systems in Slovenia, the paper of Mandič (1992) is fully relevant for Croatia and Yugoslavia in whole given the housing politics was centralized in Yugoslavia.

<sup>8</sup> According to Bičanić and Franičević (2005), Yugoslavia is often considered as an ‘experiment’ on a scale unimagined by the currently popular experimental economics. It experimented with socialism (‘self-management’) and frequent thorough institutional reforms (‘normative optimism’), in a belief that institutional change can act as an ‘engine for change’. The specific type of Yugoslavian socio-economic system was characterized by the lack of strong centralized planning of economic activities, with certain elements of market, limited private ownership over capital and workers’ self-management which allows for a substantially higher

the Soviet model of state ownership over production means and property and introduced social self-governance implemented through social-political communities. The model of social self-governance delegated more autonomy to self-managed enterprises and introduced solidarity funds and social ownership in housing (Topham, 1990; Tsenkova, 2009).

However due to the specific structure of the housing systems determined by the wider context of Yugoslavian self-managed socialism the dominant tenure was homeownership. Mandič and Clapham (1996) showed how this fact does not contradict the Kemeny's hypothesis, but is in fact a result of the specific institutional constellation of self-managed model. Although in the first part of the chapter the similarities of the East European housing systems outlined in Hegedüs et al.'s (1996s) East European Housing model were discussing, the major differences in the socio-political and socio-economic context of communist countries account for the great difference between housing systems.

In other words, different socio-economic systems of state socialism in the former USSR and self-management socialism of the former Yugoslavia have contributed towards differences among housing systems. With the introduction of self-managed model in 1970s housing provision in Yugoslavia was placed on employers, unlike the state socialism where it was placed on the local government or other state agencies. The most important instrument was the "housing fund" in which employers allocated some of their income in order to acquire accommodation to be rented for their employees. However, the housing fund could also be used to give loans "at subsidised rates of interest to employees in order to enable them to become home owners either by purchasing a dwelling or renovating an existing dwelling or building a new dwelling by means of self-

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degree of decentralization and autonomy of the enterprises compared to other communist societies (Bičanić and Franičević, 2005).

In order to understand the specific type of Yugoslavian socialism and later privatization process, one of the key concepts which needs to be clarified is the concept of social ownership. As explained in the work of Branko Horvat (2003) "social ownership is not equal to state ownership and state ownership and public ownership are not identical. Social ownership is an example of public ownership but so is state ownership. Public ownership includes also some other non-state forms such as non-profit firms". Social ownership has two key components – the first is self-management of companies that excludes anybody not working in it. It is important to note that it excludes the state which cannot own social capital. The second important characteristic is the labour-management part of social ownership, which means that the ownership of companies is in fact private because private individuals employed in the company and not state officials control the transactions of the company.

help construction” (Mandič and Clapham, 1996). Another important incentive towards for homeownership was that this was also the time of sky-rocketing inflation<sup>9</sup>.

The paper showed that looking at the preferences the social renting was the preferred tenure in urban parts of Slovenia during the self-managed period. According to Mandič and Clapham (1996) social renting had a crucial role in the self-management model of housing policy and for a considerable time received substantial support and considerable attention from the state. Social renting was the tenure most compatible ideologically with self-management and it had an important role in the system of socialist welfare and social justice.

What Mandič and Clapham (1996) found out is that its real impact on housing provision was not as significant as that of home ownership<sup>10</sup>. Regardless of preferences, home ownership was the dominant tenure across the Yugoslavia as a whole (when taking into consideration both urban and rural areas). Social renting existed mainly in urban areas, but even in urban areas home ownership was at least as important as the social renting.

In this tenure structure the two other well-known tenures are missing: co-operative housing and private renting which existed but was marginal and kept illegal<sup>11</sup>. Last important feature was that housing shortage led to significant number of population living with relatives, mostly parents.

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<sup>9</sup> The interests were rising from 9 % in 1976 to 30 % in 1980, 79 % in 1985 and 130 % in 1987. Throughout this period, interest rates for long-term loans given by the employers were kept below 10 %, thus contributing to the devastation of the housing fund’s capital.

<sup>10</sup> According to the 1981 Census for Slovenia, social rentals comprised 31,4 % of the total stock, while the remaining 68,6 % was in private ownership. In urban areas, the corresponding figures were 51 % and 49 %. As visible from Bežovan and Dakić (1990) situation was similar in Croatia. In the communist period in Yugoslavia public housing accounted for 25 % of the structure of the housing stock, and it was mainly concentrated in larger cities. For example, in Zagreb it accounted for as much as 45 % of the housing stock in that period. As explained in the Yugoslavian variation of East European housing model in the end of the 1980s, the following housing policy programs existed: public housing construction, marginal social housing construction for the lower income citizens, housing allowance and housing loans under favourable conditions. Subsidies related to the purchase of building material VAT-free, for housing units’ construction in socially organized construction and building of housing units and family houses through housing co-operatives (Bežovan and Dakić, 1990). Also, important factors were subsidies related to obtaining the building land under favourable conditions. Again, similar to other communist countries, there was no relevant practice of social housing construction for lower income households, as housing programs were mainly for the middle classes.

<sup>11</sup> According to Mandič and Clapham (1996) there were no cases of co-operative housing at all, while according to Bežovan and Dakić (1990) there were some examples in the Croatian case. Private renting was present but was mostly illegal and officially unregistered in both former Yugoslavian republics.

What is significant in their article is the trend observed towards the tenure preferences and its correlation with the chances of people to meet the housing needs in social renting or as home owners. In the late 1970s, which is the time when the self-managing model of housing policy with social renting as its centrepiece gained momentum, applications for renting greatly outnumbered the applications for loans. However, eight years later, the major preference would seem to be for housing loans. Such a fast and drastic shift in preferences was not caused by changes in cultural factors, as the narrow reading of Kemeny's work would suggest. Rather, they were influenced by changes in the housing system. There was a great difference in the percentage of successful applications for these two tenures as already at the beginning of the period the chances to get the housing loan were significantly higher.

According to data available for Slovenia by 1986 eight out of ten applications for loans were approved, compared with less than two in ten for renting (Mandič and Clapham, 1996). Therefore, the existence of large owner-occupied sector and its growth during the period was not due to the expression of innate preferences, but was a reaction to the relative advantages between the options presented to households through the housing system.

Another factor that contributed to house buying was the fact that the employers also supported loans because this way increasingly scarce housing funds could be divided to more households since housing loans were significantly smaller than acquisition of rented housing. Therefore, employers' self-managed socialist companies were obliged to provide housing for their workers. This was done through housing funds, collected in the companies and they depended on the companies' budgets – this means there were companies exporting to international markets with lots of funds available and relatively poorly performing ones with scarce budgets. They could help in two ways – providing apartments for social renting for their employees or providing loans for their employees. Providing apartments for social renting could be done either by building by themselves (this was especially relevant for construction companies) or buying them from socialist companies in charge of building those apartments (in Split it was PIS, Višnja Kukoč). In any case this was expensive model for companies, so they preferred to provide housing loans to their employees. This housing loans were significantly smaller because people did not rely only on commercial help to build their own house. The important element

was self-help construction, explained later in the text i.e. building the house with the help of wider family. Another important element was the model of land acquisition in the communist period, it was extremely cheap because most of the time there was no legal way to buy it but to lease it from the owner.

In addition to these factors home ownership enabled people to contrast inflation which was at that time particularly high<sup>12</sup>.

Because of these factors support for home ownership increased at a time of economic recession, even though most people's purchasing power was decreasing. Also, the existence of self-help construction as the major form of provision for home ownership in Slovenia meant that households could use their own labour despite a lack of purchasing power.

Therefore, the increase of home ownership at this time occurred due to the specific structure of the housing system and its relationship to the wider economic system. It is in this context that the informal construction and its growth in the self-managed period should be observed, particularly the interplay between how land was made available and availability of the zones for individual construction in the land-use plans.

In the work of Mandič from 2001 self-help construction was briefly put in the perspective with other East European countries. In order to understand extent to which it was developed in the former Yugoslavia other communist countries can be examined: in 1980 in Hungary self-help construction accounts for 37 %, Poland 25 %, Slovenia 50 % and Bulgaria 25 %. Compared to the USSR where it stands just for the 8 % it is evident that this is a result of the availability of building materials and building land made by the state in these countries (Mandič, 2009; Tsenkova, 1996).

Bežovan and Dakić (1990) discussed Yugoslavian housing reforms with specific remarks on the Croatian situation. The central issue of their work is the possibility to develop cooperatives on a wider scale. Bežovan and Dakić claim that although the first housing reform from 1965 focused mainly on the state owned apartments, it was a great innovation and it introduced economic relations in this area, while the second reform from the 1970s was a sort of involution. The need for developing apartments for the

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<sup>12</sup> Getting a long-term loan to be repaid at a 4 % rate of interest while the yearly inflation rate was around 100 % is almost equivalent to receiving a grant. Increasing the number of housing loans allowed many people to get a 'stake in inflation' by means of home ownership (Mandič and Clapham, 1996).

market was recognized in the 1965 reform and the possibility to have a private initiative was introduced. However, this did not relate to the individual housing, but exclusively for the state organized housing projects. Second housing reform from the 1970s in fact stopped these initiatives and until the end of the communist period it was not recognized again (the third reform in 1982 was never truly implemented). So looking at the official action of the state, introduction of quasi-market processes through the housing reforms (Hegedüs, 2007) was neither really successful nor implemented, but homeownership in former Yugoslavia still existed to the considerable extent. Mandič (2007) explained that although homeownership was restricted in several ways (the number and size of the units) it was still possible to own vacation home or a farm (this is extremely important for the informal construction in the communist period). Also, she notes that there were many opportunities for becoming homeowner (beside the market which, for example, in the period between 1980 and 1984 accounts for the 15-20 % of the overall construction according to Kujović in Bežovan and Dakić, 1990) such as inheritance, scarcely developed cooperatives (Mandič, 1991; Bežovan and Dakić, 1990) and by self-help construction which was the most important mechanism.

Čaldarović (1987a) reflects on the individual housing in Yugoslavia as follows: “The key problem of the individual housing in Yugoslavia is the undefined status it has within our society. As a form of dealing with the housing issues it is suppressed in the spatial plans and in the reality. In this way its socially uncontrolled dispersal is allowed. The state intervenes exclusively in the collective housing, while the individual one is treated as a marginal phenomenon, where in fact it represents in-between 60 and 80 % of the overall housing production within one year in Yugoslavia.”

The hypothesis of Bežovan and Dakić’s (1990) criticism of the Yugoslavian housing system is that the further investment in the state owned apartments is disabling individuals in dealing with their housing needs through some more acceptable form of housing, namely cooperatives; Bežovan and Dakić, 1990).

In the Bežovan and Dakić’s work from 1990 the issue of informal construction within the Yugoslavian housing system is mentioned especially with regard to the city of Split where this phenomenon is explained as a result of the high number of the *gastarbeiters*<sup>13</sup> who

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<sup>13</sup> Mostly men who used to work in Germany or Austria but had the families in Croatia.

were investing in housing and informal construction in the area and by the lack of any other possibilities of investment. Because of the inexistent land policy in the larger cities, they were becoming informal builders. One other important aspect is the role of the housing assets to serve as welfare resources, which Mandič (2009) examines in her work. Although the social risks were lower in the communist period, the housing could serve and was used to a minor extent as an asset to improve the welfare of the whole family; a substantial proportion of the population – particularly through extended family networks and in the form of vacation homes and farms – had some benefit from the homeownership (Mandič, 2009).

### **1.3.2. POST-COMMUNIST HOUSING SYSTEM(S)**

The changes of the housing systems of the post-communist period<sup>14</sup> were explained by general trends, such as large scale privatization of the social housing and the lack of state interventions in housing.

Hegedüs and Struyk (2005) suggested that the privatization occurred more for ideological reasons than to achieve housing objectives. Nations of homeowners were created, with the levels of homeownership exceeding 80 % (Tsenkova and Turner, 2004) and through this process, labelled ‘give away’ privatization, wealth was unequally distributed to the new owners of the previously public housing stock. In other words, households living in good quality dwellings have acquired considerable wealth at little cost while others owned a dwelling in poor repair for the same cost (Tsenkova, 2007).

In most cases there is a general lack of housing policies at the national level (Mandič, 2000) while the responsibility for public housing was transferred on level of local authorities which were not prepared to lead comprehensive housing programmes (Bežovan, 2008b).

In this context the formation of new households is increasingly difficult which consequently leads to the common trend of delaying formation of the family (Tsenkova,

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<sup>14</sup> In this work, both terms, socialist and communist are used interchangeably but term communist is going to be preferred.

2006; Mandič, 2008). According to Tsenkova, there is great house price inflation – the gap between income and entry costs has increased dramatically which created significant affordability constraints for new households. Overall, the housing gap between EU-15<sup>15</sup> and NMS-10<sup>16</sup> – in terms of overcrowding, accessibility of housing for newly formed households, security of tenure, and maintenance of housing infrastructure – has increased since 1990 (Norris, 2008).

The general conclusion on the housing reforms in the post-communist countries is that the previous housing shortage has been replaced by a shortage of affordable housing (Tsenkova, 2006).

In the most post-communist countries the public housing stock is marginalized and it only targets low-income households and the lack of proper rental alternatives is forcing households to opt for owner-occupation (Cirman, 2004, op. cit.).

In the financial sector, privatization and deregulation took place without the benefit of effective policies to support the development of a new housing finance system. The state-dominated housing finance systems that collapsed in the 1990s have been slowly replaced by market-based housing mortgage markets with new privatized banks which were beginning to lend from around 2000 onward<sup>17</sup> (Hegedüs, 2009).

However, by the end of 1990s numerous studies began to stress the differences between post-communist countries related to the path dependencies of those societies in relation to the structure of housing and welfare system from the communist period. For the subject of informal construction and its wider context it is important to outline the research project DEMHOW<sup>18</sup> which, among other topics, focused on the trade-off debate in the post-communist countries.

In 2000 Francis Castles tested Kemeney's hypothesis using OECD data from 21 countries. He found it broadly true, which led him to describe the relationship of home ownership

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<sup>15</sup> The EU-15 refers to the states that became members of the European Union before 2000.

<sup>16</sup> The NMS-10 refers to the states that became member of the European Union in 2004.

<sup>17</sup> However, the effectiveness of private mortgage systems as channels to home ownership, being highly correlated with the income of households, has proved to be relatively low in Eastern Europe (Domański, 2008).

<sup>18</sup> DEMHOW (Demographic change and housing wealth) is a EU funded project in period 2007-2011, whose purpose was to investigate the ways in which, across member states, demographic change and housing wealth are linked, and to use those investigations in order to contribute to policy making.

and welfare as “the really big trade-off”<sup>19</sup> (Castles, 2001). Trade-off debate on post-communist countries examined within the project DEMHOW was published in several scientific papers. The Eastern European countries have experienced a really big shift away from the state provision of welfare and became super home owning countries. Also, they showed some similarities to the Southern European case in particular regarding the important role of the family in housing provision, the use of housing as an old age investment, and the timing of leaving parent’s home (Mandič and Elsinga. 2010).

Srna Mandič (2007) examined the changing role of housing assets in the post-socialist countries that became members of European Union before 2005; therefore, it does not refer to Croatia. The work deals with the specific institutional context of the housing systems by examining ways in which collectivist forms of welfare and housing provision gave way to more individualised risk coverage, thus strengthening the role of wealth and establishing home ownership on the massive scale. In the work, which had the incidence of youth leaving parental home as its subject, Mandič (2007) tried to explain cross-national variables looking for the explanation among housing policy factors. While conducting analysis the relative size of rented housing was clearly established as statistically significant. Two main conclusions were drawn – NMS have less developed rented sector in comparison to EU-15 while the new member states as a group are very close to the South European old member states, with both having high incidence of living with parents (see also Saraceno and Olagnero, 2004 on this issue).

What is known on the Croatian housing system is that after the political changes of 1990, the first government announced the implementation of a comprehensive housing reform and reassessment of housing rights (Bežovan, 2008a). Housing contributions from employed people were cancelled, as well as the role of companies in providing for the housing needs of their employees. That change was accompanied by the change of the institutional framework of housing policy. Former local organizations, which have been in charge of the construction and maintenance of public housing, were privatized so the local authorities were left without the professional potential for dealing with housing

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<sup>19</sup> Housing accounts for a high proportion of the capital investment component of welfare, and is the largest single item in household budgets. It is argued that in the light of this, housing must cease to be treated as the poor relative of the four pillars of welfare and the vital role it plays must be recognized, especially in terms of synergy with other dimensions of welfare – notably pensions – that sets limits to the way welfare states are organized.

issues. The new Croatian Constitution (Ustav Republike Hrvatske, 1990) does not mention responsibility of the state to help the citizens in meeting their housing needs. Withdrawal of the state from the housing, deregulation and privatization were the housing policy characteristics in Croatia in the beginning of the 1990s (Bežovan, 2008a). The most important part of the housing reform implemented during the 1990s in Croatia, as well as in other countries in transition (Hegedüs et al., 1996), is the sale of public housing. The process of selling public housing was taking its course concurrently with the process of denationalisation (or the restitution of the previously nationalized property). Several social groups became the victims of this process, while the new political elites gained considerably, as they obtained expensive housing units for small amounts of money (as reported in Tsenkova, 2009a for other parts of Eastern Europe). A part of the money from the sale of public housing was supposed to be spent on social housing construction. However, this legal provision was practiced by a very small number of local authorities (Bežovan, 2004a). The sale of public housing changed the housing tenure structure, so the social housing today accounts for less than 2 % of the housing facilities. We can note that the privatization of the public housing stock in Croatia produced an increasing burden on the family which became a dominant agent in the post-communist period and the resemblance with the Southern European model became increasingly evident. Another aspect reported in the work of Sunega and Bežovan (2007) is that affordability of housing became a rising issue in some coastal regions of Croatia.

### **1.3.3. THE INTERDEPENDENCE OF HOUSING SYSTEM AND INFORMAL CONSTRUCTION**

As it is seen in the beginning of the second chapter, amongst the multiple ways in which welfare regimes can shape and reflect diverse processes in the society, comparative housing research has shown that housing systems might be among the most important determinants (Allen, 1998; Allen et al., 2004; Arbaci, 2007; Kemeny et al., 2005; Barlow and Duncan, 1994).

Several works developed within the divergence perspective in the housing studies and the analyses of informal construction within this framework will be discussed in this

subchapter. The most important is Arbaci's (2007) work which correlates Kemeny's concept of unitary and dualist rental systems with the work of Barlow and Duncan (1994) on the structuring of housing provision. Arbaci (2007) explains the reasons for informal construction in the South European countries or the Latin rim welfare regime cluster by identifying the owner occupied sector of self-provided, informal and/or illegal housing as the counterpart of the social rented sector within a dualist rental system (Allen et al., 2004). This explanation of informal construction opens up further investigative lines towards the changing nature of the housing systems and their wider societal context of the welfare systems of the post-communist countries. So far the research on the post-communist informal construction did not follow this theoretical framework but was either dealing with particular cities as a case studies or was investigating the groups of countries following juxtapositional analysis even when developed by the same author (Tsenkova, 2009a). Therefore, in this chapter works on housing systems and welfare will be resumed and briefly compared with the previously outlined findings on the nature of the Yugoslavian and post-communist housing system. In this context, the position of informal construction in the communist and post-communist period will be identified with the points on the further research paths.

Housing systems are characterized by a specific arrangement and composition of housing tenures and by specific forms of housing provision. Both of those housing realms are strongly inter-correlated and cannot be separated in the examination of housing systems and welfare regimes. Comparative research of European housing systems has demonstrated that each cluster of welfare regimes informs a distinctive cluster of housing systems depending on the diverse conceptions, constitutions and visions of society. The research has shown also that this correlation is mutual, because the ways in which each cluster of housing systems is constituted also informs a distinctive cluster of the welfare regime (Kemeny, 1995; Arbaci, 2007; Allen, 2006).

In the various works which build on the work of Kemeny (1995) dealing with the housing tenure realm<sup>20</sup>, unitary and dualist rental systems are identified and correlated with welfare regimes types (Kemeny, 1995). Kemeny's distinction of rental systems is based

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<sup>20</sup> Throughout this paper the work of Jim Kemeny (1995) is mentioned several times, because his work influenced decisively many strands of the housing research and reintroduced the social theory in the housing studies with the publishing of his seminal book *Housing and Social*. His research interest is focused on the tenures and the way tenure impacts other aspects of society, especially welfare (Arbaci, 2007; Allen et al., 2004).

on the conception of 'dualist' rental system, in which the state controls and residualizes the social (non-profit) rented sector to protect the unregulated private renting from competition and the 'unitary' rental system, in which social and private renting are integrated into a single rental market, thus 'increasing competition and overlap between profit and non-profit renting' (Matznetter, 2002: 266). Important aspect of the unitary rental system is also keeping rents lower than mortgage outgoings; it lessens pressures and demand for owner-occupation and moderates real estate speculation, thus making home ownership more affordable. On the other hand, dualist market privileges subsidy systems that foster owner-occupation and residualizes non-profit housing sectors (Balchin, 1996: 15; Priemus, 2001; Kemeny et al., 2005).

This is further connected with four welfare regime clusters of countries – socio-democratic, liberal, corporatist and Latin-rim. According to Arbaci (2008) the predominance of owner-occupation and the marginalization of the social rental sector in liberal and Latin-rim welfare clusters are linked to an ideological or historical residualism within the redistributive market-state mechanisms, based on minimum standards of well-being and a weak state provision. Also familiarism (Allen, 1998) and fragmentation are characteristics of conservative welfare clusters (the corporatist and the Latin-rim), both aiming at reinforcing the rights attached to classes and professions, by preserving or not disturbing the status differentials. The important characteristic of Latin-rim regime is that welfare services are formulated to complement the essential role of family provision and in line with this they are characterized by patrimonial tradition in housing and land ownership (Allen et al., 2004; Arbaci, 2008). In contrast, the predominance of social rental sector and the proportional balance among tenures, such as in the social-democratic welfare cluster, reflects the concept of universalism and equal redistribution of high standards for all social groups and across all tenures.

Analysis of literature on Yugoslavian housing and welfare shows that the period of communism, with a large proportion of the socially owned apartments rented under favourable conditions, has something similar to the unitary rental system (Mandič, 1996, 2008; Bežovan and Dakić, 1990). It embodies the principles of the socialist social state and East-European Housing model which is described in the literature (Hegedüs et al., 1996; Hegedüs, 2007). They are, similar to the social-democratic welfare clusters, linked

to the concept of universalism and equal redistribution of relatively high standards<sup>21</sup> for all social groups.

However, there was a lack of institutional mechanisms which would allow wider development of cooperatives housing that accounts for the significant proportion of housing in unitary rental systems. In the Mandič and Clapham's paper (1996) the position of homeownership within self-managed phase was described by explaining how particular structure of housing systems was encouraging homeownership despite the general preferences of the people towards social renting. Due to the ideological position the state never fully recognized home-ownership and individual construction. Therefore, in the land-use plans zones for the individual construction were rarely recognized and this type of housing was often constructed informally. The state action was directed in the so-called state directed collective housing and despite some attempts it did not open the possibilities of self-organization through cooperative housing. The structure of housing loans encouraged individual construction and home ownership, without any other mechanism following this policy (Bežovan and Dakić, 1990).

From this point of view, some of the reasons for development of informal housing can be understood. In communism it was partly due to the inability of the state to provide housing to the wider population because it did not develop social market strategy. However, it is also linked with the specific nature of Yugoslavian communism as explained in Mandič and Clapham (1996) and general acceptance for the so-called grey zones of Yugoslavian communism (Bežovan, 2004b). Therefore, any type of individual construction, whether legal or illegal, had the same status and the same consequences, and it bore a strong resemblance with the Latin-rim cluster (patrimonial tradition in land ownership, role of family in providing housing, the concept of family).

With the post-communist transformation as a radical structural change the wider societal context also changed. Privatization of socially owned housing in all East European countries has produced nations of homeowners and radically redirected the nature of housing tenure systems. Therefore, the future will probably bring a divisive socio-tenure differentiation of the society which will be produced by the characteristics of the dualist

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<sup>21</sup> In the communist period there was a huge difference in-between countries in defining those high standards and Yugoslavia, due to the general performances of its economy and the structure of social provision, was amongst the best performing countries (Zrinščak, 2003).

system, in which the social or non-profit sector is protected exclusively for vulnerable and low-income groups and is kept marginal (Kemeny, 1995; Bežovan 2004b; Hegedüs et al., 2005).

In the post-communist period in which dualist rental system was established (accompanied with the wider social transformation<sup>22</sup>) the new expansion of the informal housing market could be associated with the similar mechanisms present in the Latin-rim cluster. According to Arbaci (2007: 416) the main mechanisms in Southern European countries are „the scarcity, un-affordability and inaccessibility of the formal housing market, due to long-term rent control, scarcity of housing provision (both social and private), or scarcity of developable land”.

Therefore, in the post-communist period we can identify the rise of informal construction with the scarcity, unaffordability and inaccessibility of the formal housing market, due to the privatized socially owned housing stock and related expansion of the owner-occupancy, scarcity of the affordable housing provision (Tsenkova, 2007) and scarcity of developable land.

The overall conclusion is that based on the diverse mechanisms of social mix or social division across tenure, unitary systems and the previous communist housing systems provide conditions for lower levels of socio-tenure segregation than the dualist systems.

Beside the housing tenure, researchers focused on the correlation between typologies of the housing provision and welfare regimes (Barlow and Duncan, 1994; Arbaci, 2007). In the work of Barlow and Duncan (1994) housing provision is elaborated through housing provision chain which consists of housing promotion, housing production (regarding building firm size and profit regime), control of land supply and consumption<sup>23</sup>. According to their research housing production in liberal welfare regimes are characterized by large builders/developers that more often rely on speculative development gains than on building profits. On the other side, social-democratic welfare regime has large builders, but they are kept separated from and are supervised by non-profit developers and have to rely on building profits only. The important aspect of this is that land supply is under

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<sup>22</sup> But also the established tolerance for informal construction and the role of familism in these types of development.

<sup>23</sup> In their research, Barlow and Duncan (1994) they do not pursue the consumption element within housing provision chain.

public control. In the corporatist welfare state cluster there is more fragmented building industry than in both former cases, but what is important is that there are more speculative development gains than in social-democratic regimes. The characteristic of the Latin-rim welfare states is the presence of even smaller builders and even more speculative gains are made in the land development process.

When looking at the two periods, the housing production in socialist period was similar to the social-democratic welfare regime. It was characterized by the large builders, while the developers were separate institutions on the city level or simply departments of the city administration in case of smaller cities. In many cases the companies acted as developers through building apartments for their workers. The land supply was under public control since most of the huge portions of the land became public property through the nationalization after 1945, and for these state directed forms of housing production it was also made accessible, successively, using the same instrument. In this context the profit regime (also influenced by the specific type of self-managed socialism) builders relied on the building profits only.

However, as already mentioned, the key difference between social-democratic and self-managed socialist situation was in the fact that the latter never managed to develop other forms of non-profit housing on a wide scale such as cooperatives and, even more importantly, it never fully recognized self-provision in housing as acceptable form of dealing with housing issues<sup>24</sup>. It was a bipolar situation of the Yugoslavian self-managed socialism where on the level of funding it recognized homeownership predominantly as the individual housing construction through self-provision and most of the times self-construction. On the other hand, it never recognized individual construction as a dominant category in the land use plans and communal policies related with it. Important point is also affordability of the land in the period of communism allowing for the great number of people to meet the housing needs. Therefore, a constant shortage of housing in this system, coupled with a set of other factors, led to a widespread informal construction. On the other hand, when looking at the post-communist period the housing production system increasingly resembled to the characteristics of Latin-rim regime. The size of

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<sup>24</sup> Beside those two issues various authors point out different reasons such as the lack of recognition of reconstruction (there were few incentives and the overall atmosphere was oriented towards new developments). In this period most of the historic centres have undergone great degradations.

builders reduced, with big companies from the communist period being privatized and down-sized, consequently causing a fragmentation of the building industry. New builders are often at the same time developers. The most important is the profit regime based primarily on the speculative gains made in the land development process.

An important insight that Arbaci (2007) made is that the type of land supply is central in the process of housing provision. Public provision of land and redistributive approaches in planning have provided the arena for a more affordable and accessible land supply. This has been essential, particularly for self-provision, cooperatives and other non-profit housing forms. In conclusion, it was a schizophrenic situation of the Yugoslavian housing system that on the official side, in the large scale socially owned housing, bare resemblance to the socio-democratic system. On the other hand, its unofficial or grey side – never fully recognized individual construction structured the housing provision based on the patrimonial tradition in land ownership and familyism. However, this type of informal construction did not become the only way of dealing with the housing issues for majority of the population until the large scale transformation of the post-communist period, while it also served as a source of income for the people living in the coastal regions and people that rented the apartments in the informally constructed houses. In conclusion, the change of profit regime in land supply affected the process of informal construction – it is a critical point of difference between the nature of housing tenure and housing provision system in communist and post-communist period.

#### **1.3.4. CONCLUDING REMARKS**

This chapter aimed to cover a variety of issues illustrating the complexity of the wider social situation through which it is necessary to observe the phenomenon of informal construction.

According to the examined literature further research should focus on all periods of the Yugoslavian housing system. Beside described “self-managed” period, the other phases, namely “statist” and “liberal” period, should be explored through both dimensions of housing systems changes of the housing tenure and housing provision chain.

Particularly important is the research of housing provision chain in communist and post-communist period, looking at the critical variable of the land supply and profit regime. Also, further research should include other elements that compose wider institutional context of welfare systems, such as family which is already in the communist period recognized as an important element for self-provision in housing.

The further research on the Yugoslavian and post-Yugoslavian housing systems should also make a better understanding of the components which Arbaci (2007) stresses out when overlapping housing tenure and housing provision, the change in the land supply and profit regime. While self-provision in housing in the communist period functioned in the wider context that was more similar to the social welfare regime cluster, in the post-communist period it bears strong resemblance with the Latin-rim cluster.

Therefore, the further investigative lines should be organized more around the structuring of the housing provision through different periods and how it was structured in different local context.

Also, although literature on communist period introduces the aspect of residing with relatives, mainly parents, it is necessary to further investigate and correlate the particular configuration of the Yugoslavian welfare system as a wider societal framework of the housing systems, in particular the role of family in the welfare service provision which seems to be particularly significant in the individual construction. Even more, looking at the works on trade-off debate in the post-communist countries, addressing the concept of welfare systems in the further research seems crucial for understanding the relation of welfare and housing.

Further research should examine particular welfare system, using it as a broad framework designed to support qualitative investigations on how major social institutions operate and are linked together – namely the configuration of relationships among welfare states, labour markets and family in the delivery of welfare in the communist and post-communist period. Therefore, welfare systems could be used to frame an examination of specific organizational complexes, such as housing in a small-scale comparative analysis designed to explain the societal processes which make the groups of countries distinctive. In the case of informal construction institutionally thick analysis (Allen et al., 2004) seems to be particularly important in order to identify complex processes at work. Many features of Croatian post-communist housing system embedded in the wider welfare systems increasingly resemble South European countries, so the further research should explore the position of Croatia in the relation to those models.

The last important and under researched subject is the position of second homes and tourist related housing development. It is necessary to examine it in the relation to the housing and welfare for both South European countries (Allen, 2004) and this subject seems to be particularly important for the informal construction in both communist and post-communist period (Tsenkova, 2009a).

Based on literature review, this research will investigate the phenomenon of informal construction looking at the change in the structuring of housing provision at the local level in the communist and post-communist periods, embedding it at the wider socio-political and socio-economic contexts.

Typology will be constructed according to which social groups benefit or are damaged by the phenomenon of informal construction. Further research will define what is informal construction and what are its main characteristics looking at the following categories: ownership over land, the relation to the land use regulation, legality of the built object and its expansion, the current use of the object, permanency of the residence and as the last feature, whether it is built through the self-promotion. Through the definition of the typology of the informal construction several crucial features of this type of development will be analysed.

The focus of the further research will be on the ways in which different social groups in the society benefit or are disadvantaged by the phenomenon of informal construction. At

the local level research will be structured looking at the different typologies of informal construction, mainly looking through those typologies which groups in the society are benefiting and which are damaged by the phenomenon. This way the reasons and effects of the informal construction on several levels will try to be comprehended which will open the possibility of better understanding and coping with this complex issue.

The overall aim of this research is to produce knowledge that will shed light on complex origins, path changes and path-dependency of the phenomenon of informal construction and its embeddedness in the wider institutional and social context.

## **PART II**

### **EMPIRICAL RESEARCH**

## **2. RESEARCH DESIGN AND METHODOLOGY**

### **2.1. RESEARCH DESIGN**

Overview of the literature gave an understanding of the welfare and housing systems in post-communist's societies which constituted the framework within which the analysis of informal housing construction was positioned. The analysis has been carried out in two phases and with various research methods. This chapter presents the different phases of the research process and the methods used to collect data.

The primary aim of the research is to understand, taking into account the informal construction, how the access to housing changed and what is the new role of land in the social and spatial division of post-communist societies.

In order to achieve this aim, a case study is conducted. Case study is an empirical inquiry suitable for studying complex social phenomena while procedural characteristics of the situation in which it is envisaged include multitude of variables of interest, multiple sources of evidence as well as theoretical propositions to guide the collection and analysis of data (Yin, 2002). It is even more suitable for research in which the aim is to answer the question such as "how" or "why" and where the boundaries between phenomena and real life context are not clear. The thesis chooses case study as the main research strategy primarily because of the nature of the initial research questions – "Why informal construction happens in certain countries only?" and "How it is related to housing and welfare systems?". However, the main reason for using the case study research strategy is the very nature of subject of this dissertation, which is informal construction, and this requires research strategies that are able to understand complexities in work that is often neglected in cross-national comparative research. Hence, this research will use variables defining housing system developed in the large-scale quantitative study based on the welfare regimes (therefore focusing on state-market relation). This will be used as analytical parameters for a small-scale case study research based on the concept of welfare systems (therefore allowing the greater description of how third element – civil society structure and is structuring state and market actions). Another important reason for using case study research strategy is the possibility of incorporating multiscalar approach and examination of a "particular social process within its time-space context from a different perspective" (Yin, 2002).

The type of case study used in this research is an exploratory case study in which an attempt to create the typology of informal construction is made and the nature of the local welfare and housing systems is explored. The unique strength of this approach is its ability to combine a variety of information sources and methods. This research applies both qualitative and quantitative research methods, despite quantitative research being used only during the GIS analysis. Although the general criticism to case study analysis - lack of the basis for scientific generalization - could be applied to this material as well, this research will hopefully generalize theoretical propositions that are better suited for small-scale qualitative research.

On the basis of the literature review the metropolitan area of Split is selected as a single case study, because of the proliferation of informal construction types that are serving as a starting point in understanding dynamic of informal construction and housing and welfare systems. This is an embedded case study which means a case study that contains more than one subunit of analysis, which are, in this case, neighbourhoods that represent different informal construction types. This then allows more detailed level of inquiry and directed material collection and analysis (Yin, 2002).

The research proposed the analysis of the informal construction in the perspective of the local housing system. Therefore, research design was laid out using the variables that are defined through the research at the national level in West European countries and were applied to the local welfare and housing system. Variables that were used in order to assess the nature of the local housing system include: size production forms (small firms – large firms), nature of profit regime (building profit – development gain) and their correlation, the correlation between promotion forms and land supply promotional forms (non-profit – private sector), land supply (public ownership – speculative). These variables seen as the dimensions of the housing system are important for the study of the informal construction.

At this point it is important to explain why a case study research has been chosen instead of a comparative cross-national research that is often used in divergence perspective. The main research strategy is the case study and analysis of the local context. While using concepts from the comparative cross-national research on housing systems, in this research they are transferred on the local context. However, the main reason for using case study research strategy is the very nature of dissertation's subject. Data collection

for the case study research builds on this developing data collection protocol on three spatial scales: national level (research through literature analysis, interviews with professionals, document analysis), city level (document analysis, GIS analysis, interviews) and neighbourhood level (questionnaire survey on residents). Data is further classified in respect to two time periods (communist and post-communist period).

It is worthy to note that the choice of the metropolitan area of Split as the case study was influenced by author's personal professional experience as an urban planner which has been taken as an important resource in this research. Namely, this experience as urban planner in the city of Split has produced a different understanding of the subject of informal construction. As an urban planner it was possible to professionally work on numerous cases of legalization process through the urban planning instruments and in the processes of public hearings to read many letters from informal builders and other citizens who perceived themselves as the victims of the legalization process – the ones that have waited to do everything legal only ending up with the inability to build on their land. However, the very role of planner places the author in the very ambiguous situation towards the informal practices and this gap was therefore very carefully evaluated during the project design. What supported the choice to approach the informal construction were the analyses of data derived from several existing research, which implied that it is impossible to understand the housing system and planning instruments without looking precisely at informal practices. They seem often neglected in the research on both socialist and post-socialist period, are conceptually elusive and their interpretation is based often on the monolithic definition of informal construction as a homogenous phenomenon. Seeing many facets of it through her work, the author finds personal experience as a planner as an asset to the research.

The research has been designed to comprise two phases. The first phase is related to the analysis of the local housing systems, its characterizations and attempt to use the research dimensions from the national level at the local level. The basic assumption of the research views analysis of the housing systems on the national level as an adequate framework for studying informal construction, more so than an approach based on the studies of informal construction as an isolated phenomenon. Author believes that the informal construction can serve as a key fundament point in understanding the housing system inequalities. In this phase desk research of the relevant literature and documentation was

conducted in an attempt to find the operational definition of informal construction. As seen from the previous chapter, where the results of literature review are presented, it is neither possible nor useful to search for one encompassing definition but rather to work with the typology that elaborates different structural facets of informal construction. Another important aspect is to understand the changed nature of informal housing over time in the specific context of socialist and post-socialist societies. Therefore, it is shown here how the research design is structured in order to assess different roles of informal construction in relation to diverse housing systems through the typology of informal construction. It is worth also noting that in this phase diffused documentation that has not been public before was obtained. The second step was to interview the professionals in the field of urban planning and housing in order to identify all processes associated with informal housing construction. The results were used to confirm and improve the hypothetical types of informal housing construction. Collected data supplemented with statements from professionals has been subjected to GIS analysis in order to identify zones of informal housing construction and delineate the area for conducting the survey in the second phase. This phase also resulted in conclusion that the official data on informal housing construction from the field rather reflects the poor neighbourly relations than the real situation. The final product of this phase is the historical reconstruction of informal construction in the city and its relation with the local housing system in order to test the relationships that were predicted by the theoretical analysis. Using the variables defined from the research on the national level in West European countries the nature of local housing system will be defined along with the main dimensions of informal construction. Variables that are used include size production forms (small firms – large firms), nature of profit regime (building profit – development gain) and their correlation, the correlation between promotion forms and land supply promotional forms (non-profit – private sector) and land supply (public ownership – speculative).

Table 1. Data collection for variables of the local housing system

Data collection for each variable of the local housing system	
Housing production	<ul style="list-style-type: none"> <li>▪ Interviews with professionals</li> <li>▪ Statistics on the companies registered for building in both periods.</li> </ul>
Housing promotion	<ul style="list-style-type: none"> <li>▪ Interviews with professionals</li> <li>▪ Quantitative research on the companies registered for real estate development</li> <li>▪ Archive materials of the development companies in the communist period</li> </ul>
Land supply	<ul style="list-style-type: none"> <li>▪ Interviews with planners</li> <li>▪ Literature on issue</li> </ul>
Tenure	<ul style="list-style-type: none"> <li>▪ Analysis of available articles on housing tenure in Split</li> <li>▪ Interviews with planners</li> <li>▪ Statistics on tenure types in Yugoslavia and Croatia</li> </ul>

In the second phase a questionnaire form is used to gather the information on informal housing construction from residents who live in zones identified in GIS analysis. The main objective is the reconstruction of different paths that led to the informal construction, trajectories of legalization. Also, it serves for testing the definition of informal construction and proposed typology which is defined by land ownership, land use and relation to construction permits. Obtained data has been processed to supplement the typology of the informal housing construction and indicate the main features of each specific type.

The case study strategy is based on two main approaches. The first one is the path dependency and path rupture analysis. The thesis revolves around the comparison of two housing and welfare systems and position of informal construction within them. It is in this context that path dependency but also path ruptures are observed, exploring how the nature of informal construction changed over time. The second approach is the multiscale analysis. Namely, the focus of the research is on the neighbourhood level as the smallest scale of the analysis where it is possible to highlight „complexities of the process at work”. However, without including different spatial scales it is impossible to

move beyond descriptive component of the work. Analytical apparatus and comparative framework were derived from supranational scale, majority of the policies are state directed, while implementation, spatial planning and institutional organizational aspects are on the city level. The specific challenge of this research is to keep coherence of those different spatial scales.

## 2.2. RESEARCH FRAMEWORK

Research questions were based upon literature review and main hypothesis and taken into the account, and then validated through research methodologies.

### 2.2.1. RESEARCH QUESTIONS

The research has been structured around following research questions which were distributed through two phases:

1. Which types of changes occurred in the housing system in Croatia/Split with the transition in political and economic system?

This will be analysed through the dimensions of the housing system:

- 1.1. How the tenure was organized?
- 1.2. How the production was organized?
2. What was **the nature of the informal construction** in Croatia/Split *before the transition of the political and economic system* and what was the role of informal construction in relation to the housing system?

- 2.1. Constructing a general framework of understanding informal construction.

- 2.2. Development of the ideal types of informal construction.

3. How were *the changes* in the housing during political and economic transition reflected on the informal construction and its role in relation to the housing system?

Looking at the relation between the emerged housing systems on the local level researched under the q.1 and model of the ideal types.

- 3.1. Exploring in detail the motivation of the informal builders.

- 3.2. Comparison of the identified types with new building practices.

- 3.3. To determine eventual changes of the existing types.

4. What was the model of state intervention in the field of informal construction before and after the political and economic changes?

- 4.1. Which instruments were used in order to deal with the informal construction?
- 4.2. How the legal framework and policy discourse framed the informal housing construction?

### **2.2.2. METHODOLOGY**

In the current empirical research, a methodology is implemented in order to explore how the changes in the housing which were induced by the transition in the economic and political systems influenced the process of informal construction in the local housing system (on the example of Split). Legal background and motivation of informal builders are going to be fathomed. This research implemented such a methodological application that could be developed for future investigation of the local housing systems.

Research methodology is based on the previous research in the divergence perspective in the housing studies, namely large cross-national research on housing and welfare systems. The aim of this research is to delineate local housing systems using the same variables. One of the goals is to establish a filter to the local research without ever accessing the great picture of the comparative cross-national research<sup>25</sup>. This scale of the research is particularly useful for the researched subject. As J. Allen explains when writing on South European welfare and housing, "The problem with large-scale quantitative studies is that they are institutionally thin, unable to describe particular societies in any depth. Comparison is bought at the expense of understanding how institutions are articulated within specific societies" (Allen, 2006: 94). It is in this context that methodological strategy aimed at understanding the existing complexities through single case study is useful for research on housing in general and informal housing in particular.

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<sup>25</sup> This has been done following researches on the local welfare systems and variables used to define them, in relation to the comparative cross-national researches of the welfare regimes and welfare systems (Mingione and Oberti, 2003).

### **2.2.2.1. Methodology win the first phase**

In order to conduct the analysis in the first phase a set of methods has been applied: document analysis (including the literature review), interview with experts, GIS analysis.

#### ***Document analysis***

This method implies the collection of secondary data and their qualitative analysis. The collected data include the information from physical planning documents, academic papers, newspaper articles and web articles. The aim of literature review and document analysis was to deliver an overview of the housing system, informal construction and the associated characteristics of welfare system in socialist and post-socialist environments. Another aim was to historically reconstruct the informal construction in the city and its relation with the local housing system in order to test the relationships as predicted by the theoretical analysis. The analysis of the legal acts and plans was conducted both through the content analysis and using cartographic materials as the basis for GIS analysis. This method also produced the inputs for assessment of the initial zones of informal construction and creation of the informal construction typology.

#### ***Instruments***

Documents analysed through this method can be found in the Appendix 3. Documents/reports analysis was the most important method which was used in order to develop the historical reconstruction of informal construction in Split.

The final scope of document collection and content analysis is to understand the state intervention in housing and informal construction through following groups of documents:

- Reports on informal construction;
- Policies and laws on spatial planning, housing and informal construction;
- Archival research materials: meetings of the local government from 1950s till today;
- Archival research materials: meetings of the local government from 1950s till today;
- Policies directed on housing / Official Gazettes;
- Land management policies and laws.

## ***Interviews***

The in-depth interviews with professionals in the field of urban planning and housing have been carried out during the first phase in order to investigate housing systems and informal construction, at the national and local levels and in both communist and post-communist periods. In addition, the interviews provided inputs for constructing and refining a typology of informal construction which was to be used in the defining of the questionnaire for the survey (see the second phase).

Eleven interviews were carried out (Table 2); interviewees were selected based upon two criteria: they had to work as practitioners in the designated field or have the academic researches carried out in the field. The second criterion was that they had to work in both periods – communist and post-communist. The interviewees were therefore mainly urban planners, researchers and policy makers with the specific knowledge of the informal construction and housing systems in both periods. Among professionals with these characteristics those with knowledge on the national housing systems were singled out. These were mainly academics and researchers who had specific knowledge on the local housing system from two perspectives – housing and urban planning. The third category included employees of the building inspection – specific department of the Ministry of Physical Planning which dealt with the informal housing construction and other informalities in the field of planning and construction. All the interviews have been audio-recorded and later transcribed.

Interviews are one of the most important methods in this research. In the first part of the empirical research interviewed several officers working in the public offices for urban planning have been interviewed. These were semi structured in-depth interview accompanied with data collection, prints from their data base on the informal construction in the metropolitan area of Split in the last 30 years).

In order to collect the information on the national and city level, eleven semi-structured in-depth interviews have been conducted as shown in the Table 2.

Table 2. Interviews conducted in the first phase of the research

PROFESSION	SCALE	NUMBER OF INTERVIEWS	INTERVIEWS CONDUCTED
Urban planners	Municipality	4	Gordana Radman, <i>urban planner</i> , Split Maja Maroević, <i>urban planner and sociologist</i> , Split Ivan Ćurlin, <i>urban planner</i> , Omiš Vinko Kliškić, <i>urban planner</i> , Trogir
Academics	National	2	Gojko Bežovan, <i>academic</i> Višnja Kukoč, <i>academic researching large scale social housing project SPLIT 3 from the period of communism and the role of PIS company</i> , Split
Ministry of Physical Planning	National / Municipality	3	Building and urbanistic inspection of Ministry of Construction and Physical Planning, Branch office in Split: Vesna Bućan, architect, Head of department Officer in charge of Omiš area <sup>26</sup> ; Legalization officers in the City of Split)
Local government officials	Municipality	1	Hrvoje Pastar, <i>former mayor of Omiš Municipality</i>
Private sector	Municipality	1	Ivan Katuriċ, <i>manager of self-managed company of Omiš area</i> , Omiš

The interview methodology has been approached in a way that correspond to the purpose of the study. In order to obtain the information for the description of the housing systems a short semi-structured grid questionnaire was used on the beginning of the interview. This was done in order to guide the interview through the main topics and to cover the

<sup>26</sup> Ministry of the Physical Planning of Republic of Croatia /Ministarstvo prostornog uređenja Republike Hrvatske/ Urbanistic and construction inspection /Urbanistička i građevinska inspekcija/District office Split /Područni ured Split/ District office Split consists of two departments:

Department Split 1 - for the area which is under the jurisdiction of the offices regulating construction, use and demolition in the City of Split, islands of Brač, Hvar and Vis, county office in Split for Podstrana Municipality, Šolta Island, Prgomet and Lećevica municipalities and County office in City of Omiš.

Department Split 2 - for the area which is under the jurisdiction of the offices regulating construction, use and demolition in the City of Makarska, count offices in cities of Makarska, Imotski and Vrgorac, offices in the cities of Kaštela and Trogir, county offices in cities of Sinj, Solin and Trogir.

most crucial issues. This approach allowed to establish a more appropriate data comparability.

All the questions were open and neutral, starting from the background of the researchers to the specific structure of the housing system in both periods.

### *Instruments*

During the interviewing phase a general set of topic that was discussed during the conversation with the experts in the field was referred to (Appendix 1). As already detailed in the methodology explanation section, a general set of questions was used for all experts and questions which are part of the specific expertise were further elaborated. The grid that was used combined inquiry on national housing system outlook in both periods, national perspective on informal construction, the definition of the components of the local housing systems, presentation of the tentative of the informal construction typologies as defined in the first phase of the research (literature review and documents analysis) and with some experts' delineation of the informal construction zones on the maps.

The first set of questions evolved around the specific expertise, work experience and positions during the course of career of the relevant expert.

With the urban planning experts working in three relevant municipalities of the metropolitan area the boundaries of informal construction neighbourhoods and development over time was discussed. Printed maps of the municipalities were used and boundaries were drawn based on experts' experience and knowledge of the area. These maps were later used as explain in the section on GIS in order to overlap them with other sources of information on informal construction.

### *GIS analysis*

One of the issues of the research was to assess the information on how to define what is informal construction and where it is in the space. Another issue was to delineate the areas for conducting the survey in order to cover the residents of the informally constructed buildings.

Since the goal of this research was not to make the quantification of the informal construction units, nor to give accountable data on this issue, this method was used as a complementary input method to identify zones of informal construction. Data available from the building inspection proved to be unreliable, therefore this method was used just to make the estimations for the residents of informal housing survey and to identify the general zones. Similarly, the data on the legalization process became publicly available in 2016 but they proved not to be usable for this research. This whole process is still ongoing – the ministry has outsourced this service and it progresses relatively slowly and cannot be used for the purpose of this research. Although it could be useful to complement this research with quantitative data, it is by no means indispensable in understanding the processes at work, which is at the core of our research.

The input data were maps from the physical planning documents on the local level dating from the communist period, cadastral baselines made for the most recent physical plans on the local level and digital orthophotos of case study areas. The case study areas today are parts of four municipalities, therefore land use plans of these four municipalities (Split, Trogir, Omiš and Dugi Rat) have been used. They served for translating data from old land use plans in digital form. For the city of Split the General Urbanistic Plan of Split (GUP Split, 1977) was used. For the city of Trogir the report on informal construction from 1986 of the former Trogir municipality was used and for the city of Omiš and Dugi Rat municipality report on informal construction from 1987 for the former municipality of Omiš (which consisted of these two municipalities). All these data were created manually before the use of computer; therefore, it was necessary to translate zones into the digital form. Also, the land use plans from the 1970s and 1980s were collected and compared in order to establish that these are the zones of informal construction and to see whether these zones were designated for the housing. It was established that all zones were not recognized in the plans for housing (except Duće). This test was particularly important for Pazdigrad area and less important for other zones. Delineation of the informal construction zones is less important than the nature of this construction and its social function, for which the Ministry of Construction and Physical Planning will never try to collect data and which is the subject of this research's survey on informal construction.

First the differentiation of the buildings between individual and planned collective housing was made according to the digital orthophoto (Figure 1). The resulting layer was

overlapped with the maps from physical planning documents from communist period in order to delineate the zones of informal construction and zones for conducting the survey in the second phase.



Figure 1. An example of the analysis of digital orthophoto for differentiation of individual and planned collective housing

GIS analysis is used to define the areas of informal construction by overlapping the orthophoto, land use plans and maps from the conducted research on informal construction. In this type of analysis, it is hard to have absolute precision of the boundaries of the area due to different scales and techniques in which maps are produced and the technical difficulties in their transposition.

The third test in GIS analysis was use of maps during the interviews with local planners where these zones were outlined by drawing them on the maps. Documents produced on these interviews are part of the empirical material.

### *Instruments*

An extra instrument of analysis has been defined in order to produce usable data for the geographical investigation using the GIS. Using the data derived from the interviews with experts' maps were drawn – all the information has been placed in table in order to proceed with the GIS analysis. This instrument represents an attempt to define the development of informal construction over time and adequately links each typology with different periods. However, it was later tested through the survey on residents of informal construction.

#### **2.2.2.2. Methodology in the second phase**

In the second phase a survey on the residents of informal constructions was carried out. The questions of informal construction are particularly difficult subject to approach with as is with the research of any informal practices. Therefore, the issue of the right research method was carefully examined and questionnaire as a form prevailed over the semi-structured in-depth interview due to the higher level of the anonymity of the examinee. The participants may feel anxious or embarrassed and even endangered revealing the practices they have followed. The general purpose of the questionnaire was declared openly as being the scientific endeavour without any link with official representatives. Also, the fact that the legalization process was already ongoing made it easier for the most of the respondents.

The questionnaire was structured with questions starting from the general issues to the more specific ones. The role of this structure was to gain trust asking about the general housing conditions before focusing on the aspects of informality which are considered more delicate and were placed at the end of the questionnaire.

This funnelling process guides respondents through topics with which they are at ease to more delicate issues of the ownership and legality of the object, towards the complex motivation issues of informal builder and their perception of concepts of legality.

In each of the four neighbourhoods several in-depth interviews were conducted introducing elements from the narrative interviewing approach that allowed us to

investigate more accurately personal experience and narratives produced by the family and its members. This part is explained through the researcher's notes.

The questionnaire survey was carried out by several surveyors.

### ***Selecting the sample***

The very nature of the research topic and the specific position of residents of informal construction in relation to the legal system heavily influenced the sample selection and questions of this survey for which the elements of social trust played major role during the process of building a relationship with the respondents.

Therefore, at first author's acquaintances were selected in each neighbourhood so that they can learn about the specificity of the subject and author's position as academic researcher. Their social networks then helped with the spreading of announcements through the neighbourhoods and thus motivating other residents to participate in the questionnaire. The questionnaire took place at their homes. During the questionnaire its anonymity was stressed several times and special attention was placed on removing references on specificity of their situation, so that it will not be possible to identify them on the basis of this questionnaire.

### ***Instruments***

The aim of the survey on residents of informal construction is to empirically test the proposed typology and to assess the complexity of definition of legal on the level of individual builder. For the residents of informal dwellings this goal was accomplished with the questionnaire. On the neighbourhood level the target was 30 questionnaires for a single neighbourhood with 120 questionnaires in total. At the end 134 questionnaire was filled in with 33 questionnaires in Brda, 41 in Duće, 28 in Okrug Gornji and 32 in Žnjan neighbourhood. During the survey the relating questions referred to aims, goals and motivation that guided their specific actions. The questionnaire is provided in the Appendix 2.

Table 3. Questionnaire structure

QUESTIONNAIRE STRUCTURE
<p><b>General information about the examinee</b> Age, education, family background</p>
<p><b>General information on the housing unit</b> What are the main reasons for construction, who did it, in which period?</p>
<p><b>How residents define legality, are they aware of issues</b> Ownership over land The relation to the land use regulation Legality of the built object and its expansion</p>
<p><b>How they structure the risk in staying illegal</b></p>
<p><b>The reason why they built something illegal in the communist period and nowadays</b></p>
<p><b>How and if they have tried to legalize it</b></p>
<p><b>How they use it /secondary housing, tourism related development etc./</b> the current use of the object permanency of the residence</p>

#### *Timeframe of the survey*

The survey was conducted in 2014. The summer months were selected for the implementation of the survey because the residents of second homes are mostly in their secondary housing units what was especially important for some neighbourhoods (such as Okrug Gornji). However, this decision also brought some constraints given that respondents who rented apartments to the tourists were quite busy and hence more likely to refuse to participate in the survey.

### **3. ANALYSIS OF THE INFORMAL HOUSING CONSTRUCTION IN THE METROPOLITAN AREA OF SPLIT**

#### **3.1. LEGAL FRAMEWORK AND LEGALIZATION OF INFORMAL CONSTRUCTION IN COMMUNIST AND POST-COMMUNIST CROATIA**

The way in which informal construction was dealt with in relation to the legal framework remained the same in both communist and post-communist periods – diverse acts regulated the waves of the legalization process. In the periods between legalization acts the informal construction was sanctioned, mostly through exemplary demolitions of the informal construction, i.e. destruction of smaller number of selected informally constructed buildings. This dynamic was equal in both periods.

As evident from literature – there was scarce research on the reasons of informal construction and it was rarely observed as the part of the specific constellations of the housing system.

In the post-communist period in order to deal with informal construction in 1992 Croatian Parliament enacted the Law on the Treatment of Buildings Constructed Contrary to Physical Plans and without Building Permits (*Zakon o postupanju s objektima građenim protivno prostornim planovima i bez odobrenja za građenje, 1992*), which allowed the legalisation of informal buildings that are built (a) after 1968<sup>27</sup> and (b) in accordance with physical plans. The second law dealing with this issue, the Act on Proceeding with Illegally Built Buildings (*Zakon o postupanju s nezakonito izgrađenim zgradama*), was adopted in 2011, which enabled the legalisation of all building irrespective of whether they were constructed in accordance with physical plans or not. However, certain limitations still applied: informal buildings could not be legalized if they have been constructed in protected areas, protected coastal zones, corridors of communal infrastructure, public areas, valuable agricultural lands, forests, areas of special protection of waters and

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<sup>27</sup> The Law on the Treatment of Buildings Constructed Contrary to Physical Plans and without Building Permits (*Zakon o postupanju s objektima građenim protivno prostornim planovima i bez odobrenja za građenje, 1992*) as well as the building acts of 1999 and 2003 (*Zakon o gradnji, 1999, 2003*) and the Physical Planning and Construction Act of 2007 (*Zakon o prostornom uređenju i gradnji, 2007*) considered all buildings constructed before February 15, 1968 as legal due to available spatial data for determining existence of buildings in space.

mineral exploitation fields. This law allowed the buildings to legally access the communal infrastructure and be evidenced in cadastral. The law also prescribed that the request for legalization can be submitted until December 31, 2012, while subsequent requests will be rejected. Despite the deadline and disburdened procedure, only 13.000 requests were submitted in first ten months, while at the same time building inspection issued around 31.000 decisions of removal (Habrun, 2016). Such situation forced the Government to write a new Act on Proceeding with Illegally Built Buildings (*Zakon o postupanju s nezakonito izgrađenim zgradama*) in mid-2012, which prolonged the deadline for six months and additionally reduced the list of required documentation. Number of submitted requests for legalization had a rising trend and unexpectedly large number of requests (826.948) was submitted before the deadline (Habrun, 2016). This amounts to almost one fifth of population and more than a half of households in Croatia.

In spatial perspective, the number of requests was highest in the City of Zagreb, Split-Dalmatia County and Zadar County. Until the end of June of 2016 the number of resolved requests in Split-Dalmatia County was above 58 % (Table 4), while the majority of those have been resolved positively (AZONIZ, 2016).

Table 4. Number of submitted and resolved requests for legalization of illegally built buildings in Republic of Croatia, Split-Dalmatia County and cities of Split and Trogir before July 30, 2016

ADMINISTRATIVE UNIT	NUMBER OF REQUESTS FOR LEGALIZATION		
	Submitted	Resolved	Resolved (%)
Republic of Croatia	826.948	457.771	55,4
Split-Dalmatia County	82.143	4824	58,7
<i>City of Split</i>	<i>13.608</i>	<i>7119</i>	<i>52,3</i>
<i>City of Trogir</i>	<i>3181</i>	<i>1196</i>	<i>37,6</i>

Note: The cities Split and Trogir can be shown isolated because they have their own administrative bodies that receive and resolve the requests for legalization of illegally built buildings.

Source of data: AZONIZ: Registry of resolved requests, 2016

More than half of households in Split-Dalmatia County submitted the request for legalization which is slightly below the national average. In the case of City of Split the share is much lower, while in the case of City of Trogir the share is moderately higher (Figure 2). The share of requests per housing unit gives a more realistic picture since the number of requests equals to almost one third of total number of housing units in Split-Dalmatia County, which is, however, lower than national average. The share in City of Trogir is nearly the same as national average while the share in City of Split is half of that percentage (Table 5).

Table 5. Number of submitted requests for legalization of illegally built buildings in Republic of Croatia, Split-Dalmatia County and cities of Split and Trogir before July 30, 2016 regarding the number of households and housing units

ADMINISTRATIVE UNIT	NUMBER OF REQUESTS	HOUSEHOLDS		HOUSING UNITS	
		Number	Requests per household (%)	Number	Requests per housing unit (%)
Republic of Croatia	826.948	1.519.038	54,4	2.246.910	36,8
Split-Dalmatia County	82.143	154.528	53,2	254.629	32,3
<i>City of Split</i>	<i>13.608</i>	<i>63.007</i>	<i>21,6</i>	<i>76.568</i>	<i>17,8</i>
<i>City of Trogir</i>	<i>3181</i>	<i>4564</i>	<i>69,7</i>	<i>8662</i>	<i>36,7</i>

Sources of data: AZONIZ: Registry of resolved requests, 2016; Croatian Census 2011

Number of resolved requests for legalization of illegally built buildings on the cadastral municipalities before May 16, 2016 shows the concentration of requests in Northwestern and Eastern Croatia and in littoral zone, which is mainly the result of the process of turistification of littoral during the second half of the 20th century. One of the focal points is the littoral zone between Split and Trogir (Figure 2; Table 6). Table 6 presents the number of resolved request in cadastral municipalities of Split, Okrug and Duće, which represent research area of this study, regarding the purpose of the objects and the status of construction. Number of submitted requests is in accordance with the population size of the cadastral municipalities. The overview according to object purpose shows that most

of the illegally constructed buildings are for housing, about two thirds. The second largest class are auxiliary buildings. Between 5 and 12 % of buildings are not completed and this share is largest in Okrug municipality.

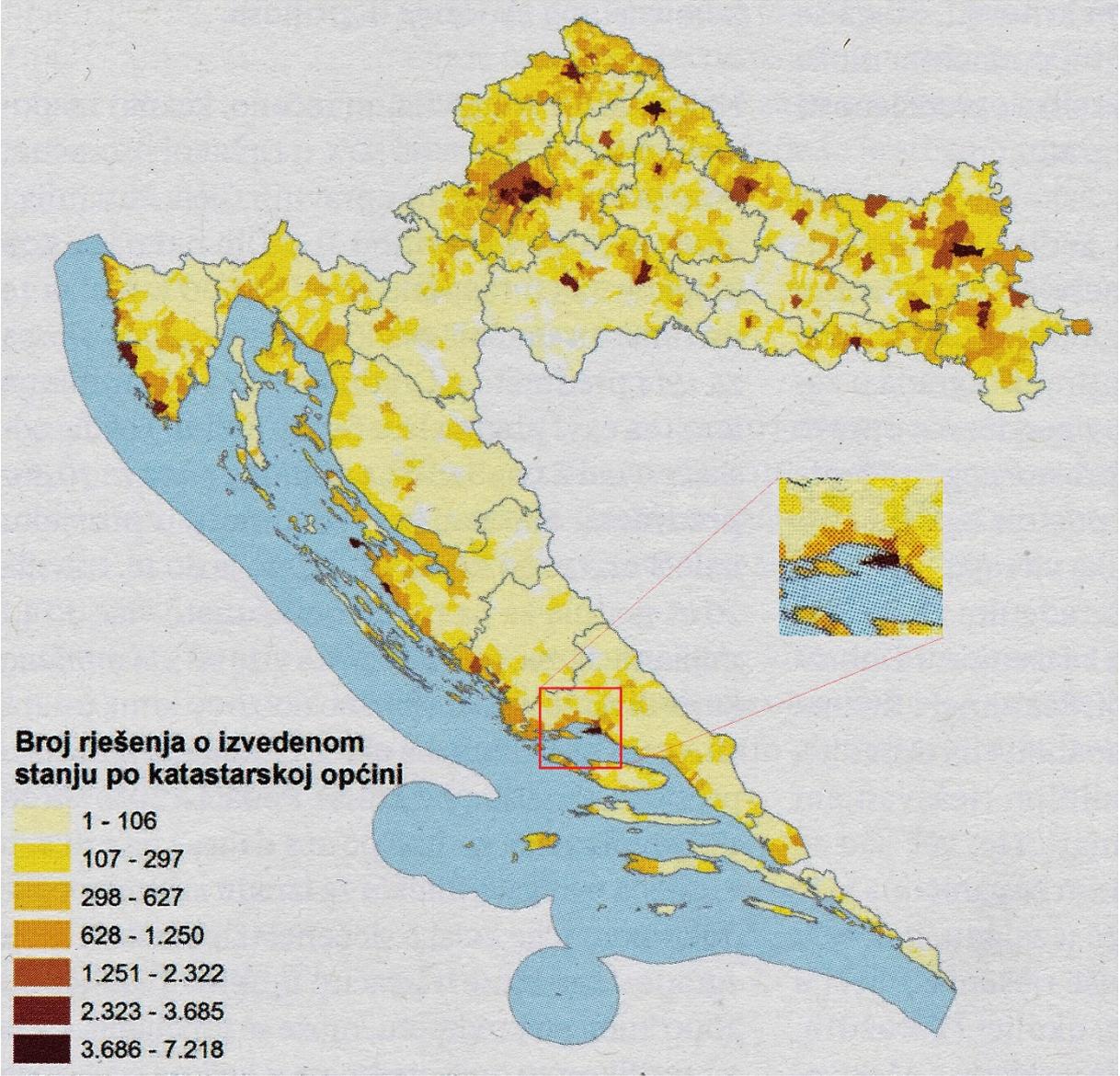


Figure 2. Number of resolved requests for legalization of illegally built buildings per cadastral municipalities in Republic of Croatia before May 16, 2016

Source: Habrun, 2016 according to data by AZONIZ: Registry of resolved requests, 2016

Table 6. Number of resolved requests for legalization of illegally built buildings per cadastral municipalities

CADASTRAL MUNICIPALITIES	SPLIT		OKRUG		DUĆE	
	Number of requests	Share in total number (%)	Number of requests	Share in total number (%)	Number of requests	Share in total number (%)
RESOLVED REQUESTS	5523	/	1166	/	498	/
Positively resolved requests	5461	98,9	1149	98,5	488	98,0
RESOLVED REQUEST REGARDING THE OBJECT PURPOSE						
Housing	3941	71,4	752	64,5	306	61,4
Commercial	354	6,4	35	3,0	50	10,0
Business	60	1,1	1	0,1	2	0,4
Public	22	0,4	5	0,4	0	0,0
Agricultural	6	0,1	1	0,1	0	0,0
Auxiliary	1048	19,0	333	28,6	124	24,9
Other	92	1,7	39	3,3	16	3,2
RESOLVED REQUESTS PER CONSTRUCTION STATUS						
Completed	5233	94,7	1031	88,4	463	93,0
Not completed	290	5,3	135	11,6	35	7,0

Sources of data: AZONIZ: Registry of resolved requests, 2016

The overview of the legal framework regarding the construction and informal building in communist and post-communist periods is given in the Table 7.

Table 7. The legal framework regarding the construction and informal building in communist and post-communist periods

PERIOD	ACT		TYPE
	name in English	name in Croatian	
Communist period	The general act on regulation and use of urban land ( <i>Official Gazette</i> 12/62)	<i>Opći zakon o uređivanju i korištenju gradskog zemljišta (NN 12/62)</i>	national law
	Conclusions on the measures and activities of law enforcement in the field of planning, managing, use and protection of space and construction land and preventing the usurpation of agricultural land, forests and forest land ( <i>Official Gazette</i> 2/85)	<i>Zaključci o mjerama i aktivnostima za provođenje zakona u oblasti planiranja, uređivanja, korištenja i zaštite prostora i građevinskog zemljišta te sprječavanja uzurpacije poljoprivrednog zemljišta, šuma i šumskog zemljišta (NN 2/85)</i>	national law
	Guidelines for organization of condition in the sphere of physical and land regulations ( <i>Official Gazette</i> 2/85)	<i>Smjernice za sređivanje stanja u oblasti uređivanja prostora i zemljišne politike (NN 2/85)</i>	national law
	Physical Planning and use of construction land Act ( <i>Official Gazette</i> 14/73)	<i>Zakon o prostornom uređenju i korištenju građevinskog zemljišta (NN 14/73)</i>	national law
	Amendments on Physical Planning and Physical Development Act ( <i>Official Gazette</i> 16/86)	<i>Zakon o izmjenama i dopunama Zakona o prostornom planiranju i uređivanju prostora (NN 16/86)</i>	national law
	Amendments on Urban and Regional planning Act ( <i>Official Gazette</i> 18/69)	<i>Zakon o izmjenama i dopunama Zakona o urbanističkom i regionalnom prostornom planiranju (NN 18/69)</i>	national law
	Urban and Regional planning Act ( <i>Official Gazette</i> 21/61)	<i>Zakon o urbanističkom i regionalnom prostornom planiranju (NN 21/61)</i>	national law
	Physical Planning and Physical Development Act ( <i>Official Gazette</i> 54/80)	<i>Zakon o prostornom planiranju i uređivanju prostora (NN 54/80)</i>	national law
	Urban and Regional planning Act ( <i>Official Gazette</i> 39/66)	<i>Zakon o urbanističkom i regionalnom prostornom planiranju (NN 39/66)</i>	national law
	Urban and Regional planning Act ( <i>Official Gazette</i> 1/69)	<i>Zakon o urbanističkom i regionalnom prostornom planiranju (NN 1/69)</i>	national law
	The decree on enforcement of Urban and Regional planning Act ( <i>Official Gazette</i> 41/61)	<i>Uredba o provođenju Zakona o urbanističkom i regionalnom prostornom planiranju (NN 41/61)</i>	national law
	Construction Land Act ( <i>Official Gazette</i> 54/80)	<i>Zakon o građevinskom zemljištu (NN 54/80)</i>	national law
	The decree for adopting of the Physical plan of special purposes	<i>Odluka o donošenju prostornog plana područja posebne namjene</i>	local acts

	land on the island of Šolta ( <i>Official Gazette of the City Community of the Split Municipality 19/89</i> )	<i>otoka Šolte (Službeni glasnik Gradske zajednice općine Split 19/89)</i>	
Post-communist period	Law on the Treatment of Buildings Constructed Contrary to Physical Plans and without Building Permits ( <i>Official Gazette 33/92</i> )	<i>Zakon o postupanju s objektima građanim protivno prostornim planovima i bez odobrenja za građenje (NN 33/92)</i>	national law
	Building Act ( <i>Official Gazette 75/99</i> )	<i>Zakon o gradnji (NN 75/99)</i>	national law
	Building Act ( <i>Official Gazette 175/03</i> )	<i>Zakon o gradnji (NN 175/03)</i>	national law
	Physical Planning and Construction Act ( <i>Official Gazette 76/07</i> )	<i>Zakon o prostornom uređenju i gradnji (NN 76/07)</i>	national law
	Act on Proceeding with Illegally Built Buildings ( <i>Official Gazette 90/11</i> )	<i>Zakon o postupanju s nezakonito izgrađenim zgradama (NN 90/11)</i>	national law
	Amendments on Building Act ( <i>Official Gazette 100/04</i> )	<i>Zakon o izmjenama i dopunama Zakona o gradnji (NN 100/04)</i>	national law
	Amendments on Physical Planning Act ( <i>Official Gazette 100/04</i> )	<i>Zakon o izmjenama i dopunama Zakona o prostornom uređenju (NN 100/04)</i>	national law
	The decree for regulation and protection of protected costal area ( <i>Official Gazette 128/04</i> )	<i>Uredba o uređenju i zaštiti zaštićenog obalnog područja mora (NN 100/04)</i>	national law
	Physical Planning and Construction Act ( <i>Official Gazette 76/07</i> )	<i>Zakon o prostornom uređenju i gradnji (NN 76/07)</i>	national law
	Location permit ( <i>Official Gazette 153/13</i> )	<i>Lokacijska dozvola (NN 153/13)</i>	administrative act

### **3.2. THE SCOPE OF ANALYSIS – SPLIT CITY REGION AND METROPOLITAN AREA OF SPLIT**

The metropolitan area of Split has been selected as a case study area because of the proliferation of informal construction types which serve as a starting point for understanding the dynamic of informal construction and housing and welfare systems. The fact that Split is a city where different types of informal construction could be found was identified already in the phase of literature review and this was later confirmed through the interviews with professionals. In contrast, there are areas in Croatia, such as Vir or Rogoznica, that are well known representatives of informal construction, but do not reveal full complexity of the phenomenon. This area shows all the complexity of the origins and the development of informal construction. It is the second largest city in Croatia which grew significantly after the second world war through the rapid industrialization which has consequently induced rural urban migration. Also, it is situated on the coast with parts of the metropolitan area being allocated for tourism already in the communist period and parts of it for secondary housing.

Split city region is the second biggest in the country with 273.756 inhabitants of which 61 % are in the core city (167.121 inhabitants) and 39 % in surrounding settlements (106.635). There are 83 settlements in the region and they are all situated in Split-Dalmatia County. The shape of the region is mostly defined by relief characteristics. It extends along Kaštela bay and along relatively narrow coastal strip toward Omiš in southeast. This zone is characterised by high population density and its concentration on relatively small area. More urbanised and dynamic settlements can be recognised along the road to the north towards the subregional centre Sinj. Similarly, highly urbanised settlements are also typical for the littoral zone, while less urbanised settlements are situated mainly in hinterland (Zagora).

Contemporary Split urban region is developed as a result of dynamic processes of littoralization which took place in the second half of the twentieth century. City of Split grew in size more than three and a half times, mostly due to immigration of population from the islands and hinterland (Dalmatian Zagora). Demographic expansion was enabled by economic development in the period between the 1960s and 1980s, when industry, tourism, catering, commerce and transport activities were on the rise. Economic crisis of 1980s slowed down demographic development. During the last twenty years, population

of the core city has been shrinking, while the rest of the region has been slightly increasing in number of inhabitants. As a consequence, the Split city region had 0,5 % less inhabitants in 2011 than in 2001. In other words, positive population dynamic in part of city region closer to Split could not compensate the negative trends in the core city and settlements further away in hinterland.

From demographic aspect the most positive settlements are larger coastal settlements and those that are very close to the sea<sup>28</sup>. On the other hand, most of hinterland settlements in Zagora (Kaštela – Trogir area and subregion towards Hrvace) are characterized by population loss.

The metropolitan area of Split is not a legal entity, but an analytical term used in several articles and strategic plans in order to describe the metropolitanization process of the second largest city in Croatia. It encompasses larger area than what is described as Split city region, covering a total area of 2000 km<sup>2</sup> with the population of 348.288 inhabitants (Croatian Census 2001). Metropolitan area of Split has a population density well above the country's area average. Administrative boundaries have changed over the researched period, and the overall number of municipalities has increased.

For the purpose of this study 'imaginary' boundaries of the metropolitan area of Split are defined (Figure 3). The establishment of metropolitan area boundaries, however, is a subject of many debates. There is no universal definition of the metropolitan area. For that matter, there is no strict definition of a city or city centre, which complicates the attempts to define the metropolitan area properly. In this research, the common practice of drawing the boundary around area in which people daily commute is adopted. More precisely, a simplified model of distance related to travel time is employed. Using a travel time of 60 minutes, a radius from the central city can be drawn, which varies according to mode and efficiency of transport, but which for the purposes of this study, is defined as 40 km. The further away from the centre the less strong and frequent are links and daily communication between the centre and periphery. No matter how good the transport connections are, travel time places absolute constraints on how far people will travel on a regular basis (Jones, 2000). All people ultimately have time constraint beyond which commuting is not viable. Hence, a larger radius would make less sense.

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<sup>28</sup> For example, Solin grew by 27,5 % and Podstrana by 24,4 %. Already mentioned dynamic zone towards Sinj shows similar population trends: Prugovo grew by 17,6 %, Klis by 17,4 %, etc.



obstacles, poor regulatory environment, unsolved claims of ownership and reluctance of local authorities to cooperate.

In 2015 due to the new Act on Regional Development of Republic of Croatia (Zakon o regionalnom razvoju Republike Hrvatske, 2014) minister of regional development established a new Urban Agglomeration of Split, which has a spatial scope that slightly differs from Metropolitan area of Split upon which this study relies on (Figure 4).

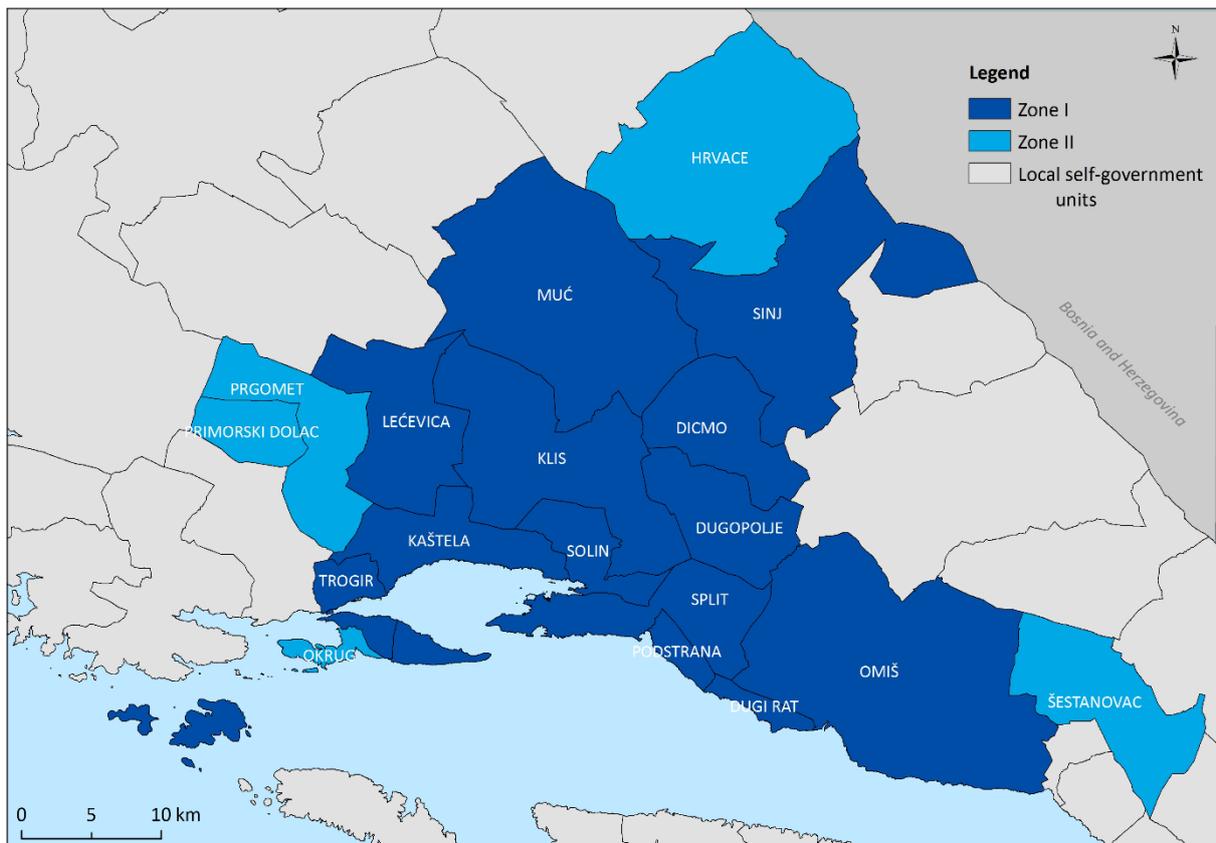


Figure 4. The spatial coverage of the Urban Agglomeration of Split as defined in 2015

### 3.3. CREATION OF TYPOLOGY OF INFORMAL CONSTRUCTION

In this chapter the findings of the research dealing with the structuring of the housing system on the local level will be presented and this served as the baseline for the identification of the ideal types of informal construction in Metropolitan Area of Split. It was grounded on the available literature and investigation of spatial plans, as well as on the interviews with spatial planners and other professionals.

#### 3.3.1. HOUSING SYSTEM IN METROPOLITAN AREA OF SPLIT

The scope of the research will focus on the city level in order to grasp the structuring of the housing system and its functioning within the larger perspective of the housing and welfare systems. The literature that deals with the various factors that affect the different forms of informal construction will be analysed. In order to define the specific “housing provision mix” in Split several works dealing with the development of housing estates are going to be taken into consideration along with the two studies that are focused exclusively on the informal construction in the city of Split.

Table 8. The approaches to the data collection for each variable of the local housing system

VARIABLE OF THE LOCAL HOUSING SYSTEM	DATA COLLECTION APPROACHES
Housing production	Interviews with professionals Statistics on the companies registered for building in both periods.
Housing promotion	Interviews with professionals Quantitative research on the companies registered for real estate development Archive materials of the development companies in the communist period
Land supply	Interviews with planners Literature on issue
Tenure	Analysis of available articles on housing tenure in Split Interviews with planners Statistics on tenure types in Yugoslavia and Croatia

### **3.3.1.1. Housing system in Metropolitan Area of Split in the communist period**

At the beginning of the communist period in 1945 Split was still suffering from severe destruction that occurred during the Second World War. It had 10.339 housing units, from which only 1/3 matched contemporary living standards. Klempić (2004) defined phases in the city's spatial expansion and development of the housing estates after the Second World War as follows:

- 1) post-war housing shortage (1945-1957)
- 2) programmed construction (1958-1970)
- 3) construction of Split 3 (1971-1990)
- 4) town-planning chaos (since 1991)

Post-war housing shortage (1945-1957) is a period characterized by an intensive industrialization and immigration. Housing construction in this period was considerably smaller than the housing demand. At the peak of the housing crises in 1957 Split agglomeration had 81.000 inhabitants and 16.000 flats with 900.000 m<sup>2</sup>. The estimation was that 6.000 flats were missing in order to fulfil housing needs. Each year 400 new flats were built (all of them through the nationalization of the land and were state funded) and they became part of the public housing stock (Tušek, 1996; Klempić, 2003).

Situation changed in 1957 with the creation of the Urbanistic Bureau Split, Department for organization of construction and the Department for analysis and documentation. In 1959 they became the separate Bureau for Housing and in 1966 were transformed into the Split Development Company. The role of this institution was to collect money for building new apartments from funds and from selling of the apartments. The main buyers were companies which rented those apartments to its employees<sup>29</sup>.

In the second period of the so-called programmed construction the efficiency of the production of the new flats was higher and the specific typologies of budget flats were

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<sup>29</sup> Concerning changes in the housing production under this model it would be necessary to make a research on the ways in which funds were raised concerning housing reforms explained in the chapter 2. Split development company, famous PIS, was widely known and represented a very specific structure in the whole Yugoslavian housing system and since there are no available works on this subject, it is necessary to do further research on its functioning.

introduced. The overall model of this development are so called “concentric building estates” in which the same typology of buildings with minimum variation in housing units was developed. This was the period of the great expansion of the collective housing with the 14.497 new flats built. However, this did not meet the housing need and in the same period 6.928 flats were built as the individual housing. This is a period in which informal construction as a part of this individual housing stock emerged.

The last phase of collective housing was development of the Split 3 neighbourhood in 1971. This new part of the city, unlike previous dormitories for the rising population, had a brand new city centre envisaged in the aim of its development. It was developed with great attention on the public spaces, multifunctionality and the overall quality of the housing units was increased.

So, the housing provision (defined as a social process that surrounds the production and consumption of housing) from the aspect of development of the collective housing projects was done through the promotion of previously described institution (Urbanistic Bureau Split). They outsourced production to the large companies in the construction sector, land supply was settled thorough the instrument of nationalization of the land and the consumption was settled through the companies that bought apartments lending them to their employees.

What is important to note in all of this is that all these companies in the Yugoslavian economic model were self-managed companies owned by the workers. Therefore, those flats were “public flats”, owned by the companies which are owned by workers.

The term used in order to describe this process during the period was “state-directed collective housing” (“*društveno usmjerena kolektivna izgradnja*”). Development of the collective housing estates was the most intensive in the period between 1959 and 1966 when the funds for housing were established and 1400 flats were built annually. However, in the further research it is necessary to explore the consequences of each housing reform on this development.

State-directed collective housing was just one part of the “housing provision mix” in former Yugoslavia (Mandič, 2001). As explained in the chapter 2, individual construction was ideologically inferior to the collective construction. However, it existed either as planned individual construction or at the higher scale as informal individual construction. In the period from 1958 to 1970 of the overall number of newly constructed flats 20.615,

the 14.497 flats were provided through state directed collective housing, while 6.928 flats were built as individual construction (Vojnović, 1976)<sup>30</sup>.

The first and so far only systematic study of informal construction in Split was study of Slobodan Bjelajac from 1971 done in the Urbanistic Institute of Dalmatia. It is published as an article and integrally as a part of the analytical part of the new urbanistic plan.

The study covered the figures of informal construction build before the 1971, its geographical scope within the territory, characteristics of the objects, characteristics of the informal constructor (vocation, income, social origin...), characteristics of the household of informal constructor and profile of the informal constructor. The study also covered the sources and consequences of informal construction and suggested policy recommendations in order to cope with the issue.

So, in order to understand the percentage of informal construction in the overall number of the newly constructed individual houses a comparison of data of Vojnović (1970) and Bjelajac (1971) is needed. It is hard to do it systematically because the boundaries of Split agglomeration for which they presented data is not entirely the same but it can be suggested that more than 50 % of the individual constructions were informal. According to Bjelajac (1971) total number of informal objects in Split metropolitan area is 3252 out of which 2705 are occupied and 552 are unoccupied<sup>31</sup>. When the data in this period is compared the resulting ratio between social housing, individual housing construction and informal housing construction is 14.497 against 6928 against 2705. This is the latest comparable data since the study of Bjelajac (1971) whose work attempted to estimate the number of informally built units.

### ***Characteristics of the informal construction in communist period***

The results of the Bjelajac's (1971) study show that most of the housing stock is built as a self-promotion with the help of family. Houses were in substandard conditions, in most of the cases without basic sanitary conditions (with the exception of one zone). Most of the

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<sup>30</sup> There is no data on the individual construction covering the entire period. However, they could be obtained by looking at the different sources.

<sup>31</sup> The data on the informal construction was based on the sample of 20 % of informal home owners, while the poll was conducted by the Faculty of Law.

informal builders, even 86,4 %, are in the category of unskilled and semi-skilled workers, with the wage significantly under the average wage. During the interview they stated that the reasons for informal construction were the long waiting lists for the public housing, but sometimes even the inability to afford rent in the public housing. Only 22,4 % of the informal builders are natives and all others are immigrants, mostly from rural villages. The largest number came from the Dalmatian hinterland villages (60,5 %). It is significant that immigrants from the same village, even large families, move together in the same areas, which is illustrated with the map of immigrations (Figure 5). In most of the cases just one member of the household is employed and in the significant number of the cases informal builder first constructed house and then moved members of his family from the village of origin. The study does not inquire in the ways of acquiring land. However, other sources that still needs to be thoroughly analysed show that the long term lease contracts (it was not possible to sell the land) were conducted between land owners and informal builders<sup>32</sup>.



Figure 5. Immigration to Split from the hinterland in the third quarter of 20th century

Source: Bjelajac, 1970

<sup>32</sup> This information still needs to be verified as it came out in several interview with the former employees of the Urbanistic Institute of Dalmatia. Also in this study there is an important subgroup of informal builders in Poljičko primorje, where the land was family patrimony of the builder.

The study of Bjelajac (1971) showed substantial growth of informal construction in the second half of the 1970s. Although precise data is not available it can be concluded that in the 1980s this typology of informal construction was becoming a predominant pattern in dealing with the housing needs due to several interconnected reasons:

- marked decline in the state directed collective housing;
- company mortgages for building material (Klempić, 2005)<sup>33</sup>;
- the possibility to own second housing unit as vacation house, so it presented an investment (Mandič, 2001).

Čaldarović (1987a) estimates that the individual construction made 60-80 % percent of the overall housing production in Yugoslavia. However, there was no systematic research on that level to work with the precise numbers. Another insight in the situation in Split was given in the already mentioned work by Bežovan and Dakić (1990) where they reflect on the size and nature of the informal housing in Split. According to them, great amount of investment in informal housing came from immigrants from West European countries – so-called “gastarbeiters”. In relation to this they explain size and quality of housing in Split’s area. Therefore, on the basis of these sporadic remarks we can note that the nature of informal housing radically changed in the last decades of the communist period. Reasons for this and the relation with the changed framework of housing on the national level should be a subject of further research.

#### **3.3.1.2. Housing system in Metropolitan Area of Split in the post-communist period**

Structuring of the housing provision in the post-communist period is even less explored and increasingly complex. Following section will try to outline some basic characteristics, although this still needs to be backed up by further research. In published works there is a study conducted on the specific typology of informal construction in Split, but quantitative data for the phenomena are not available. Therefore, the number of objects

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<sup>33</sup> In her paper, in section on informal construction, Klempić (2005) noted that the eastern suburbs of Split were built starting from the 1979 when employees in the construction companies got worker’s credits in building materials.

built as an informal construction is not available, while there is a rough estimation of over 10.000 objects in Split metropolitan area in the year 2001 (Klempić, 2005).

After the privatisation of the public housing, according to the model already explained in the chapter under the label of “give away” privatization (Tsenkova, 2007) in which Croatia is in the group of countries that applied the privatization model to the radical extent entering the group of post-communist countries of super-homeowners (Hegedüs, 2007; Mandič, 2001), the situation in housing provision changed dramatically<sup>34</sup>.

Overview of the structuring of housing provision at the city level concerning promotion shows that there was an increasing in the amount of speculation. As for the production, further research should be made but it can be presumed that there was a short term speculative gain, while the companies were medium-sized. Concerning the land supply issue the important processes were restitution of previously nationalized land and manipulations with the land owned by the city that was not denationalized (according to the findings in research by Leburic et. al., 2005 and Klempić, 2005). After the 1990 privatisation of the public owned housing, state action in housing was marginal. With the law from 1996 housing that was owned by public but not privatised became social housing with the protected rent. The part of this stock is housing constructed with the funds from public housing sale and housing units based on the rights of Croatian war veterans<sup>35</sup>. In this context social housing represents a part of the residualist social care (Bežovan, 2008). The town of Split with the population of over 170.000 inhabitants has 249 social housing units<sup>36</sup>. However, the census data from 2001 shows that hypothetically all households have their housing units since there were 60.528 flats and only 56.926

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<sup>34</sup> There is no research that deals with the numbers of newly constructed informal buildings, so it would be necessary to do extensive research using ortophotos from different periods and the reports of the ministry responsible for the physical planning.

<sup>35</sup> Important informal process in the war period was illegal entering of the Croatian Army soldier in the flats in which JNA officers and citizens with Serbian nationality had tenants right during the communist period. This way during the housing reform, many of those apartments became their ownership. This was particularly evident in previously described Split 3 neighbourhood. There are no research on this subject, but several articles from the well know investigative journalists from Feral Tribune exist. These evictions in most cases were violent and are now subjects of several legal processes. The other important process is the restitution of the housing stock nationalized in 1945. The aim of the government was to accommodate tenants with the tenants' rights from communist period with the money acquired from the selling of the public housing. However, neither building of new social housing nor help for this population was implemented (Bežovan, 2008d).

<sup>36</sup> The responsibility for the social housing is on the town and there is little hope that something will be done in this direction without central government intervention (Bežovan, 2008d).

households. In the 1991-2001 period, the number of flats increased by 6,9 %, and the number of inhabitants decreased by 3,1 %<sup>37</sup>. Of course, this had to do with the shift to nations of homeowners, but does not explain the access to housing which became increasingly difficult.

The other factor shows that in the most coastal towns in Croatia flats are bought by foreign citizens as their second homes. In the wider metropolitan area of Split, for example island of Čiovo, there are numerous second homes owned by citizens of Splits that date from the communist period. The issue of second homes and their relation with the overall housing situation is something that Allen et al. (2004) point out as further investigative lines when discussing the south European housing and that is of great importance in Split.

The question of formality is particularly evident in relation between the construction and provision of the basic communal infrastructure. In both communist and post-communist periods, the state allowed the owners of both formally and informally constructed buildings to connect to sewage and power networks after paying the requesting fee to the public providers. However, this one-time fee did not cover the provision of all communal infrastructure. Public infrastructure such as roads, open public spaces, schools and kindergartens etc. for which the municipal administration is in charge could not be adequately provided in most cases (Krtalić, 2009). The informal construction in conditions in which state tolerated the infrastructural equipping of building further confused issues of formality, legality and legitimacy. Keeping this in mind is very important in further analysis of informal construction regarding the permanency of residence. Permanent residents, irrespective of formality of construction of the building which they live in, pay the share of their registered income in the municipal budget which municipality uses for providing the public infrastructure. On the other hand, non-permanent residents of buildings do not have the obligation to pay the tax to municipality, and thus they do not contribute to the providing the infrastructure which municipalities are obliged by the Croatian Constitution (*Ustav Republike Hrvatske*, 1990) to provide in all built areas under their jurisdiction. Therefore, municipal self-government must provide the public infrastructure even in the explicit secondary housing settlements. This often creates the multiple and contesting issues between permanent and secondary

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<sup>37</sup> The best indicator could be assessed through the analysis of the data of the city of Split's annual call for social housing. There is also issue of informal labour market so people often apply for the benefits they are not entitled to.

homes residents, which are particularly evident in the areas with the high proportion of secondary housing where permanent residents feel that they pay for the infrastructure construction and maintenance in, so to say, ghost towns of secondary housing. Although research on some areas of informal construction (eg. Miletić, 2006 and Miletić and Mišetić, 2006 on Vir) showed that this is not so present in the local population, it is equally contested by the fact that local residents want to sell their land for the secondary housing, but later they complain on the issues of infrastructure.

The problem of the social housing issues can be summed up by pointing out that a national programme for social housing does not exist and the problem was left to the local authorities as part of local social care programmes. So far only few of them managed to accomplish something in this sector.

The other state actions in housing are limited to the support of the homeownership through several rather small scale programmes. Bežovan (2008b) summarizes that housing programmes supported by the state in Croatia are intended for middle classes and support the households that purchase housing.

Chronologically, according to Bežovan (2008b) and Sunega and Bežovan (2007) there were several national programmes and measures for housing in the post-communist Croatia. The first one was a housing allowance as a part of the social care system which was a responsibility of local authorities and it was implemented only in the big cities. Housing saving program was introduced in 1998 and incentives on saving were reduced in 2005. The long term loan program for young families was introduced in 1998, but was abolished two years later. In 2001 state subsidized housing construction also known as POS (cro. *poticana stanogradnja*) was introduced. This programme was actually implemented. It was centralised top-down programme aimed at helping families that are buying their first house (there were several other criteria introduced as well). Within this programme 3491 new apartments were built in Croatia by 2006 (Bežovan, 2008d). The responsibility of local authorities was to provide land and infrastructure and government would pay for the construction. There are many problematic developments under this programme, such as new POS apartments in Split. They were questioned for their relevance for the social aspect of the programme and financial gains of the developer in the overall GDA. Since 2003 benefit for real property tax and tax benefits on renting contract exist. Benefit for real property tax proved to be relevant for the first buyers while

tax benefits on renting contract is highly irrelevant because most of the renting is done without contract i.e. illegally. All those policies, along with the last long term loan programme which was heavily subsidised by the state in case of the first buyers (but not implemented yet), were rather targeted at the idea that the function of construction sector is vital for the economic functioning of the state, which is similar to the Italian situation, as evidenced by Padovani's quote: "*va tutto bene quando l'edilizia va bene*" (Padovani in Allen et al., 2004, p. 162).

The new typology of "legally illegal" construction emerged in this period. It is explored in the study of Leburić et al. (2005). The object of the study, which was conducted by three sociologists, were policy recommendations and it was ordered by the public administration of the city of Split in 2005. The focus of this research is on the „unplanned construction" which was viewed as different from the „informal construction". Unplanned construction is defined as legal construction, having all the administrative permits, but illegitimate, because it is not in the accordance with the planned land use of the area (Leburić et al., 2005, p. 7)

Roots of the unplanned construction are already visible in the 1980s when there were many claims for the small and incoherent amendments of the existing plans. In the period of the post-communist transition, there were existing legal plans from the previous periods, but their legal status was unclear. Unplanned construction occupied the most attractive parts of the city, especially large portions of the coast (Pazdigrad, Zenta, Trstenik – Radoševac, Žnjan – north of Bračka ulica).

### **3.3.1.3. System of plans and unplanned construction**

According to Leburić et al. (2005) General urbanistic plan from 1978 is the last systematic city plan that was adopted by the city. It was based on the supposed economic and spatial development of the city and the main goal of the plan was to achieve balanced and unconflicted development. It was supposed to be achieved through balanced development of the housing units, which were the main spatial units and with the formation of the hierarchical centres (centres of the residential unit, quart, rayon, city.) Those centres were supposed to have mixed functions – public (schools, libraries, kindergartens, hospitals, culture...) and commercial (banks, commerce, tourism...). Vague definition of

those mixed zones, along with the inexistence of any realistic mechanisms for the realization of the public functions, were the key factor in the later reorganisation of zones in the areas previously designated to the public uses. In general, most of the plan was conceived through monofunctional zones where the coastal areas (from Stobreč to the Trstenik) were designated as sport, recreation and tourist zones.

The idea of the 1978 General Urban Plan (GUP) was that detailed plans would further elaborate this basic zoning. However, immediately after the adoption of the plan, the main mechanism of its implementation failed due to the decrease of funds for the social housing and issues related to the expropriation laws. Therefore, instead of the huge integral housing companies, the wide range of Self-Managed Interest Communities (so-called SIZs or cro. *samoupravne interesne zajednice*) emerged. It was planned that they coordinate their actions in field through the The Midterm Plan of the Municipality (*Srednjoročni plan uređenja prostora općine Split*, 1986). This plan for the Split was developed from 1986 to 1990, but it was never adopted. According to Leburčić et al. (2005) the pressures for the reconstructions and interpolations were high starting from the 1980s. The goal of those interventions was to develop new apartments for influential social groups. According to the planning framework it was done through detailed plans and amendments of the GUP, therefore legally. However, GUP did not provide enough information to develop such levels of planning in this institutional framework (with SIZs and without midterm plan), so its main guidelines concerning density and land-use were not followed or were bypassed.

The overall result of those interventions, either small scale one or detailed plans of larger zones such as Žnjan and Trstenik – Radoševac, was unsatisfactory. The zones of housing were parasitizing on the existing infrastructure, without developed mixed use, public spaces and often zones that were previously designated to the recreational use. The idea of developing new GUP was formulated by the end of 1989. The basic intentions of the draft GUP was to ensure the public use.

Regarding the informal construction in this period the trend from communism continued and increased, for the previously explained typology of the individual self-promoted construction. According to the international literature that deals with the informal

construction in the region<sup>38</sup>, it could be described as illegal subdivision (Tsenkova, 2007). Informal subdivisions refer to settlements where agricultural land has been subdivided and sold by its legal owner to people who build their houses, often with self-help methods. Those settlements are not necessarily of poor quality. Residents in these settlements often have right to the land, but the housing is built without a planning and/or building permit. Thus, periurban land is transformed to urban use by landowners without any official planning permission and licenses.

What is important, and should be a subject of further research, is the level of commodification of informal housing in Split. Tsenkova (2007) notes that in some countries, the process has been commodified and used by developers to provide housing to middle-class families (e.g. in Italy and Turkey) and also Montenegro. The settlements are informal because they might violate land-use planning, the standard of infrastructure is low and the land subdivision often does not meet planning standards for right-of-way, road access and provision of public space. Nevertheless, the housing that was built, while often constructed with permanent materials, does not always meet building standards. Tsenkova (2007) notes that concerning the legalization process, these settlements are often tolerated due to populist politics and legalized through gradual incorporation in the city's urban plan.

Different types of informal construction have different roles in diverse housing systems. As it was explained in the chapter 2, the reasons for the rise of informal construction should be analysed by looking at its relation to the wider housing and welfare system. Therefore, this analysis has tried to outline the changed position of informal housing in two periods – communist and post-communist.

### **3.3.2. IDENTIFICATION OF THE IDEAL TYPES OF INFORMAL CONSTRUCTION**

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<sup>38</sup> The work of Tsenkova (2007) is conducted on UNECE region and it identifies the rise of squatter settlements in the post-soviet countries as a most prominent phenomenon. It would be interesting to make a comparison of the amount of informal construction in the former Yugoslavian republics in communist and post-communist period, but from the aspect of the transformation of welfare and housing systems in all former republics. For example, Bjelajac in his study from 1971 states that informal construction in Split was three times larger than in Beograd for the same period. If we compare that with the information from Mina Petrović that in the 1990s every second housing unit in Beograd was built illegally maybe some interesting conclusions can be drawn.

Within the Metropolitan Area of Split several types of informal construction can be identified related to the difference in the housing provision chain, tenure structure and levels of informality. In order to define the ideal types, the results of the analysis of the housing system in Metropolitan Area of Split given in previous chapter has been combined with the analysis of the spatial plans and discussed in the interviews with planners and building inspectors. Therefore, the informal construction and its main characteristics are defined focusing on:

- land ownership,
- the relation to land use regulations,
- legality of the built object and its expansion,
- the current use of the object,
- permanency of residency,
- whether it has been developed by the residents and their families.

The final result was the identification of four ideal types of informal housing construction (Table 9). Author's previous experience in the field of spatial planning in Split region also had an important role in identification of those ideal types.

Table 9. Ideal typology of the informal construction

TYPES	SOURCE OF INFORMALITY				Main reason for construction	Who does it	Period of construction
	Ownership over land	Land use	Construction permits	Expansion			
1. informal self-construction	legal	inconsistent	without CP	/	housing needs	residents	socialist

2. legal construction + informal expansion	legal	in accordance	legal	without CP	housing and income needs	residents	socialist/ post-socialist
3. informal construction + informal expansion	legal	inconsistent	without CP	without CP	second home and income needs	residents	socialist/ post-socialist
4. informal construction	legal	inconsistent	without CP	/	profit	construction company/ developer	post-socialist

These four ideal types can be designated as informal housing, apartmanization, secondary housing and developer-led informal construction:

#### *1st TYPE: HISTORIC INFORMAL HOUSING*

The first type of informal construction includes the housing on the land that was not predetermined for the construction. The economic immigrants arriving from the hinterland during the first phase of the post-war rapid industrialization and urbanization of Split bought previously agricultural land and built family houses. The newly formed settlements lacked urban and social infrastructure, which has been introduced much later. Given that the informal construction occurred in 1950s and 1960s, this type can be named historic informal construction or shortly informal housing. It should be noted that this type has changed significantly over the observed period.

#### *2nd TYPE: APARTMANIZATION*

The second type relates to the illegal redevelopment on the legally constructed family houses. The redevelopment occurred in the post-communist period, after nationwide rising of unemployment, as an endeavour to provide the income for families by renting tourist apartments during the summer months.

### *3rd TYPE: SECONDARY HOUSING*

The third type entails the informal construction of second homes and informal redevelopment for housing and tourism-related purposes. The informal construction occurred in socialist period as a consequence of prosperity, while informal redevelopment began in communist and continued in post-communist periods.

### *4th TYPE: DEVELOPER LED INFORMAL CONSTRUCTION*

The latter type relates to the development that the sociologists Leburić, Maroević and Šuljug (2005) named “legally illegal”, relating to legal but not legitimate development. The development was led by developers who constructed the large-scale housing estates in the locations previously reserved for city parks and recreation. Although the construction was legal, the land has not been converted to residential use and thus is not legitimate.

### **3.3.3. IDENTIFICATION OF THE CASE STUDY AREAS**

In order to test the typology, the first step was to recognize the zones of informal construction in the Metropolitan Area of Split, which proved to be a difficult task. Major problem was that the national registry or official maps of zones of informal construction in Croatia do not exist. The only official data are published in 2016, but even now they are comprised only of data on the number of requests for legalization of the informally constructed buildings which was gathered in the legalization process instead of full data on informal construction. These data are based on the self-assessment of the informal builders and their willingness to enter the legalization process. Moreover, the procedure of legalization allows that one request can entail more than one informally constructed object on more than one land parcel within the same cadastral municipality. In addition, data does not reveal if the object(s) requested to be legalized are whole buildings or just illegal upgrades to the existing legally constructed buildings.

When this research begun legalization process had just recently started and there were no available data. But although today they are available they are not useful for this research.

Identified ideal types have been subjected to recognition in space and accordingly have been improved in definition. Since there was more than one exemplary neighbourhood in the Split metropolitan area for each type, the selection of the case study neighbourhoods (Figure 6) has been based on the same sources (literature review, interviews, spatial plans and own experience) and was complemented with GIS analysis.

In the City of Split two types of informal construction can be found. Based on the literature review city districts Brda, Kman and Visoka have been recognized as representatives of the historic informal construction, i.e. informal self-construction (Bjelajac, 1970). Žnjan district (City of Split) has been identified in the contemporary research as the representative of the informal construction type (Leburić et al., 2005). Since Brda and Žnjan are part of the Split settlement their delineation was done through application of smaller spatial units, which are recognized in the local legislation, called kotars<sup>39</sup> (city districts). As for the second type of informal construction, legal construction plus informal expansion, Poljičko Primorje and Duće are primary examples. The selection of the Duće settlement (Dugi Rat Municipality) was completely based on the interviews with planners and analysis of spatial plans while Poljičko Primorje (Podrstrana Municipality) was excluded from this research as it has been studied by Bjelajac (1970). Okrug Gornji settlement (Čiovo Island) which is primarily the area of secondary housing was selected as the representative of third type – informal construction plus informal expansion. The spatial outline of Duće and Okrug Gornji neighbourhoods was based on the settlements' boundaries<sup>40</sup>.

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<sup>39</sup> The boundaries of city districts (kotars) in the City of Split are defined in The decision on designation of the city districts of the City of Split (Odluka o utvrđivanju područja gradskih kotareva Grada Splita, 2000).

<sup>40</sup> The boundaries of settlements in Croatia are defined in Registry of spatial units (Pravilnik o registru prostornih jedinica, 2008).



Figure 6. The locations of four case study types of informal construction

When the boundaries of the neighbourhoods have been established, the goal was to determine where are the zones of informal construction within the neighbourhoods. This analysis has been performed with the GIS tool for overlapping different maps and satellite images. The results of this analysis have been used to determine the zones for the field survey in the next research phase.

### 3.3.3.1. Identification of the informal construction zones in Brda neighbourhood

Identification of the informal construction in Brda neighbourhood was done through overlapping of the digital orthophoto and the cadastre map with the map of land use from General Urbanistic Plan of Split (*Generalni urbanistički plan Splita*, 1978). The interpretation of the results has been enhanced by qualitative analysis of the four

urbanistic plans (*Naselje Brda: idejni projekt*, 1959; *Stambena jedinica Brda - Ravne Njive: Detaljni urbanistički plan*, 1972; *Provedbeni urbanistički plan Visoka: konačno rješenje, revizija PUP-a*, 1982; *Izmjena urbanističkog rješenja Brda - Ravne Njive*, 1984). By doing this, the zones of planned housing construction (multi-storey buildings) and zones of individual housing construction could be delineated as shown in Figure 7. It is decided that the area for conducting the survey in Brda neighbourhood will include all zones in which individual housing prevails over planned collective housing.

### **3.3.3.2. Identification of the informal construction zones in Žnjan neighbourhood**

Similar approach has been applied in the analysis of the Žnjan neighbourhood. The data from digital orthophoto and object analysis provided very few information since there is the same building typology in both cases – multi-storey buildings. According to Leburčić et al. (2005) a real-world housing zones in Žnjan neighbourhood have been allocated for the tourism and recreation purposes in all previous urbanistic plans. To affirm this the land use map from General Urbanistic Plan of Split (*GUP Split*, 1977) has been used for establishing which areas are the zones of informal construction. The map has been digitalized and georeferenced so it can be overlapped with land use maps from other plans. This process resulted in delineation of the zones of informal construction on the digital orthophoto. The map on the Figure 8 presents the results of the analysis. It is decided that the area for conducting the survey will comprise the whole City District of Žnjan excluding the areas which were in 1977 designated for the planned housing, according to *GUP Split* (1977).

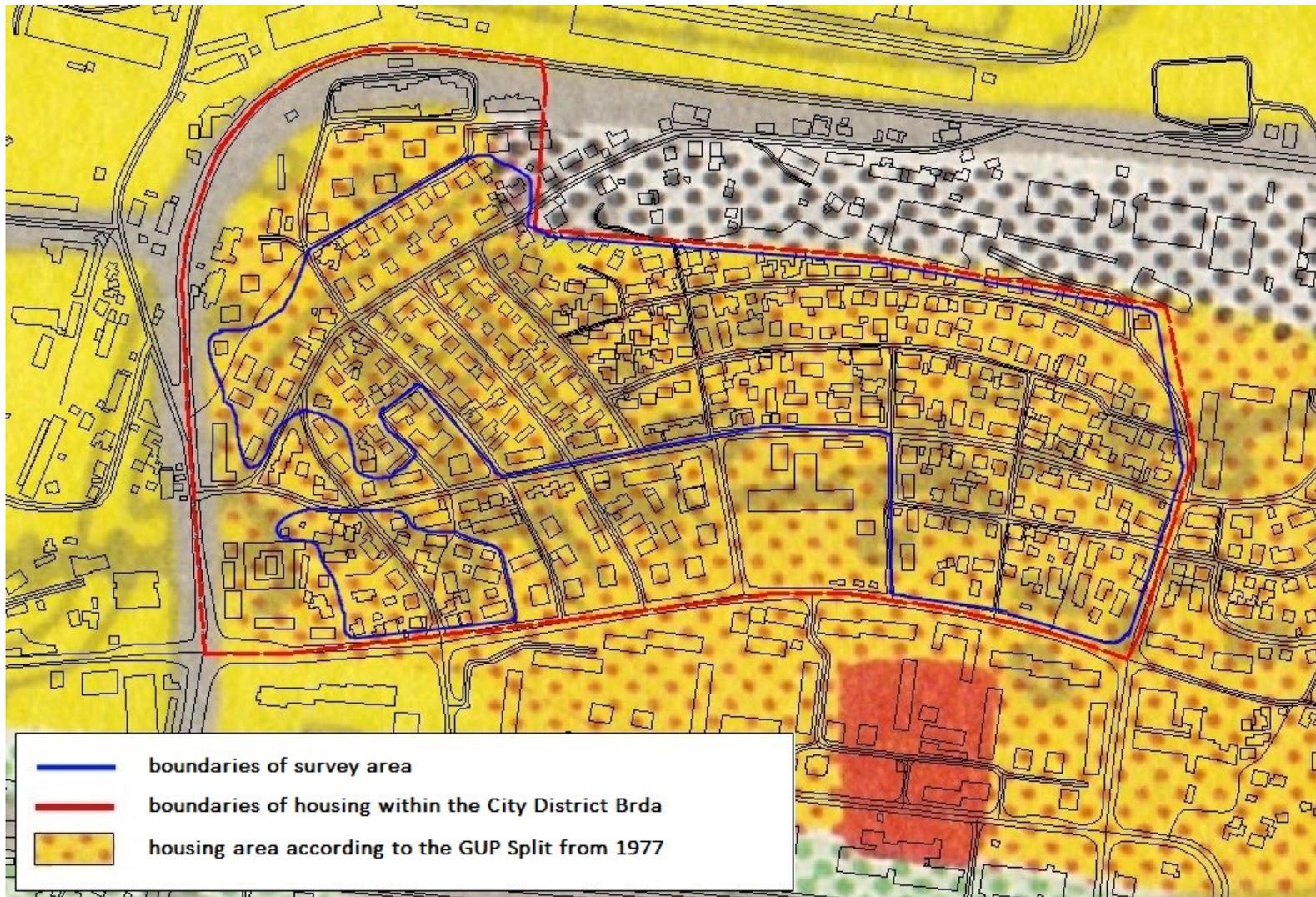


Figure 7. The result of the overlap of the 1977 land use plan with the contemporary map of built areas in Brda neighbourhood

Source: GUP Split, 1977

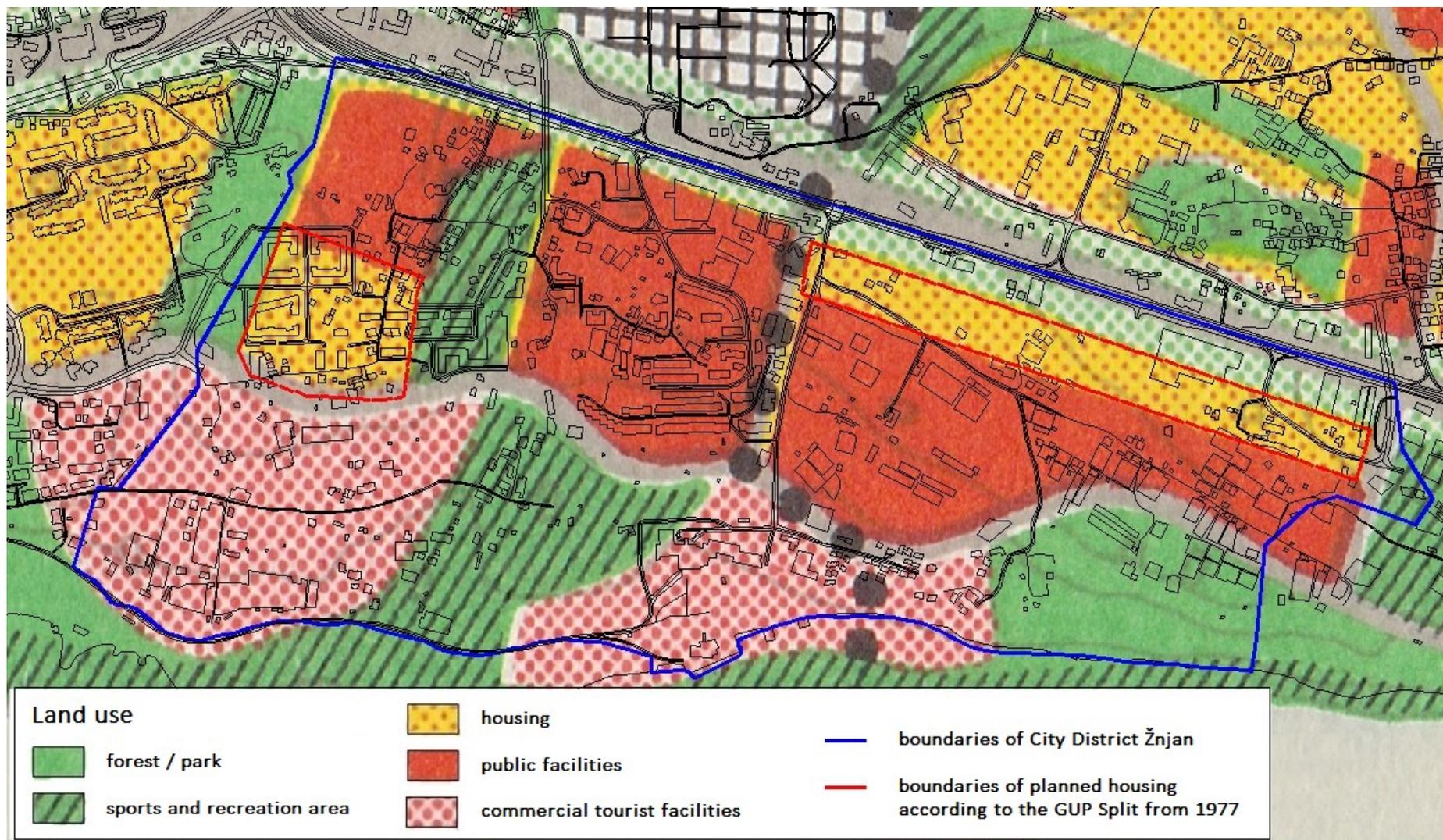


Figure 8. The result of the overlap of the 1977 land use plan with the contemporary map of built areas in Žnjan neighbourhood

Source: GUP Split, 1977

### 3.3.3.3. Identification of the informal construction zones in Okrug Gornji neighbourhood

Analysis in Okrug Gornji neighbourhood was carried out in a similar pattern but the results were different. The analysis of informal construction performed in the 1986 delineated the zones of illegal building and counted the illegally built objects in the zones (*Analiza i ocjena stanja obalnog područja Općine Trogir zahvaćenog bespravnom izgradnjom*, 1986). The features of this type were based on interviews with planners and previous knowledge of the area. The area for conducting the survey is delineated to include major part of the built-up area of Okrug Gornji settlement excluding the most eastern part (Figure 9).

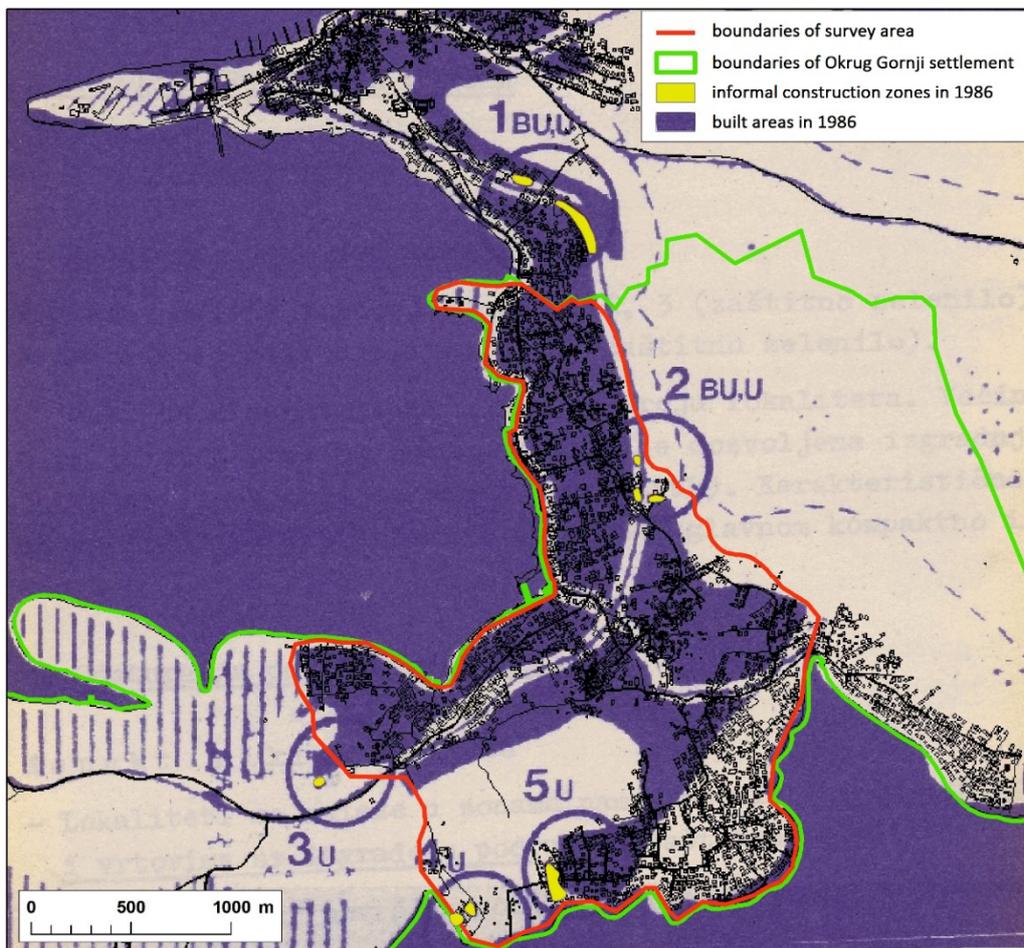


Figure 9. The result of the overlap of the 1986 built areas and zones with informal construction with the contemporary map of built areas in Okrug Gornji neighbourhood

Source: *Analiza i ocjena stanja obalnog područja Općine Trogir zahvaćenog bespravnom izgradnjom*, 1986

#### **3.3.3.4. Identification of the informal construction zones in Duće neighbourhood**

The analysis of informal construction zones in Duće neighbourhood has been conducted through the overlapping of digital orthophoto and analytical maps from The Analysis and evaluation of condition of the coastal areas of the municipality Omiš affected by illegal constructions (*Analiza i ocjena stanja obalnog područja Općine Omiš zahvaćenog bespravnom izgradnjom*, 1987). It was discovered there was no illegal construction in Duće neighbourhood, but legal housing development as shown in the Figure 10. So the hypothesis on informal construction as a redevelopment of the legal houses in this neighbourhood has been based on the interviews with planners and physically observed changes in the built landscape. For conducting the survey, the whole built-up area along the coast was chosen.

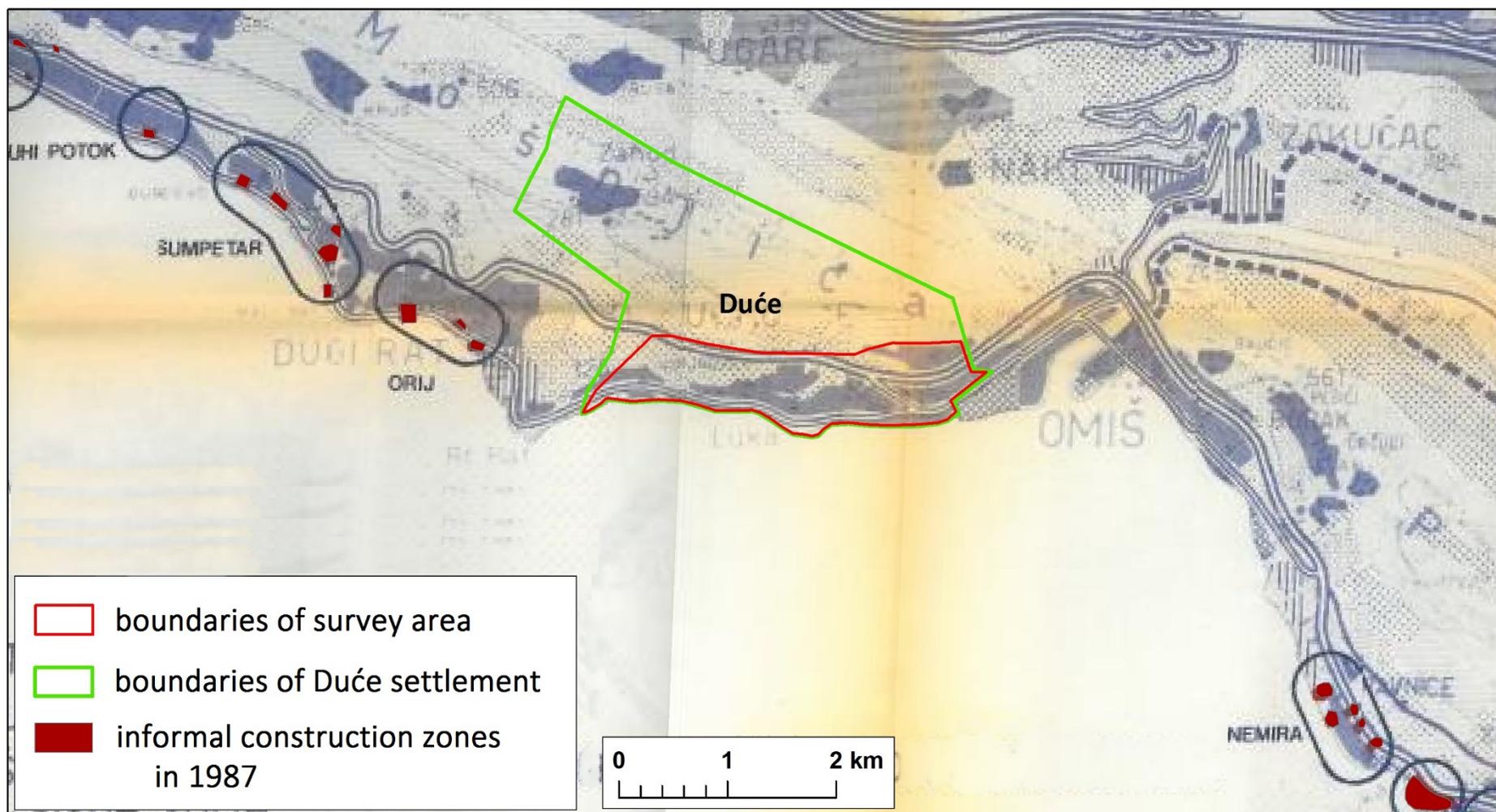


Figure 10. The result of the overlap of the 1987 land use plan with the contemporary map of built areas in Duće neighbourhood

Source: *Analiza i ocjena stanja obalnog područja Općine Omiš zahvaćenog bespravnom izgradnjom, 1987*

### **3.4. TESTING THE TYPOLOGY OF INFORMAL CONSTRUCTION**

The established typology of the informal construction has been tested through the questionnaire survey on inhabitants of four case study neighbourhoods as well as by analysis of spatial plans and other analytical and planning documents. Given that Bjelajac (1970) conducted extensive sociological research of residents of the informal construction, the questionnaire was structured in such a way that it can be comparable to questionnaire of Bjelajac. However, the additional questions in the questionnaire were related to the preconceived new types of informal construction. Namely, typologies largely depend on who the informal builders are, instead on the physical form of the informal construction. Hence, additional questions addressed the period of construction of buildings, declarative motivation of the builders for the informal construction etc.

#### **3.4.1. Socio-demographic outline**

First, a brief comparison of the data on sex and age structure, level of education and place of origin of respondents to the survey will be made with the data from Croatian Census of 2011 (Table 10). Since the data does not exist on the neighbourhood level, the age and sex structure of inhabitants are presented for the settlements in which the neighbourhoods are situated, while data on inhabitants' level of education is presented on the level of municipalities to which the neighbourhoods belong.

The process of ageing is omnipresent in Croatia, and the same in the Split metropolitan area. Age structure<sup>41</sup> shows that most of the respondents are males between 40 and 60 years old which is in coherence with the ownership issue that is analysed in the study. Regarding the level of education, which can be very important indicator of immigrant structure, data differ more between neighbourhoods than it is the case with age and sex structure. According to survey research, Brda is characterized with a higher share of people without school and a lower share of those with master's degree. This corresponds

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<sup>41</sup> In spite of generally accepted division in age structure (< 19, 20-59, > 60) (Nejašmić, 2006), a different division was applied in this research in order to present more accurate and relevant results. Considering that most of respondents were owners or people who are paying a rent in their units, first category (young population) was shifted to 'everyone under 40'. Next category includes those who are 'between 40 and 60 years old' and the final one remained as it is – old population refers to 'people older than 60'.

to previously referred authors who claim that migration to Brda was not a process which involved highly educated population. On the other hand, there is a higher share of bachelor's degrees and high school graduates. This can be easily explained with the fact that most of the surveyed people are descendants of first immigrants in this area and they adopted urban way of life. According to Census 1981, which is perhaps more representative for Brda's first generation immigrants, around 60 % of population did not finish high school. This also confirms the original hypothesis that Brda was a working class settlement with a level of education significantly lower than in other three neighbourhoods.

Table 10. Comparison of the sex, age and educational structure and place of origin of inhabitants and respondents to the survey

<i>The settlement</i>	<i>SPLIT</i>	<i>BRDA</i>	<i>ŽNJAN</i>	<i>DUĆE</i>		<i>OKRUG GORNJI</i>	
<i>Share (%)</i>	<i>inhabitants</i>	<i>respondents</i>	<i>inhabitants</i>	<i>respondents</i>	<i>inhabitants</i>	<i>respondents</i>	
<b>SEX STRUCTURE</b>							
Males	47	45	50	49	73	49	61
Females	53	55	50	51	27	51	39
<b>AGE STRUCTURE</b>							
< 40	47	6	10	55	7	37	0
40 - 59	29	49	84	25	61	25	57
60+	24	45	6	20	32	38	43
<b>LEVEL OF EDUCATION*</b>							
Without school	1,2	3,0	0	0,6	0,0	2,4	0,0
1st-7th grade of primary school	3,8	0,0	0	8,2	2,4	3,6	0,0
Primary school	13,5	15,2	0	18,0	2,4	18,0	10,7
High school graduate	55,6	57,6	56,3	58,8	68,3	59,8	57,1
Bachelor's degree	9,1	15,2	15,6	6,9	24,4	7,1	10,7
Master's degree	16,2	6,1	25	7,4	2,4	8,7	21,4
Doctorate degree	0,5	3,0	3,1	0,1	0,0	0,2	0,0
<b>PLACE OF ORIGIN*</b>							
Current place	51	27	0,0	49	34	27	0,0
Place of origin of the immigrants:							

Other settlement of the same municipality	4,8	27,3	60,0	6,7	30,4	4,0	0,1
Other municipality of the same county	47,6	50,0	26,7	67,0	30,4	40,0	44,7
Other county	26,7	9,1	10,0	6,7	0,0	36,0	12,7
Other country	21,0	13,6	3,3	19,5	39,1	20,0	42,4

\* Data on level of education and place of origin are not available on the level of neighbourhoods, so the data shown are for municipalities (Split, Dugi Rat and Okrug Gornji) in which neighbourhoods are situated.

Source of data: Croatian Census, 2011

Data on place of origin of respondents considerably deviates from the data of inhabitants, which is expected given that the residents of the informal buildings mostly migrated from elsewhere. In Brda 73 % of respondents do not live there since their birth. Half of them immigrated from the other municipalities of Split-Dalmatia County. That is the clear indicator of the dominant immigration trends in this area (as shown in Figure 5). Between 1948 and 1981 more than 1.900.000 people in Croatia abandoned agriculture and many of them migrated to the cities (Nejašmić, 2008). The process of deagrarianization and deruralization was at its peak. According to Friganović (1972), the reasons of immigration to Split were: poverty and fulfilment of basic needs, possibility of extra income, social security and escape from hard labour in agriculture. According to a survey research carried out in 1970s, 60,5 % of immigrants in Split area came from Dalmatian Zagora (Perić, 2010). Also, a large number of people came in Brda from other settlements/neighbourhoods of the City of Split (27,3 %). According to Klempić (2003), main immigration reasons include education, resolving of housing, passive moving with parents and job opportunities. Population growth boosted by immigration in Split peaked between 1961 and 1971 (Klempić, 2003). Results of this survey research for Brda neighbourhood showed that this period was also the most important and dominant construction period in which 75,8 % of units were built. In a research conducted in 2003, Klempić asked the respondents about the most unattractive parts of Split for immigration. Interestingly, Brda was the most common answer with three times larger frequency than the second most common answer – Mejaši.

In Duće, one third (31 %) of respondents live there since they were born while in Dugi Rat municipality almost half (49 %) of population lives in the same settlement since they were born. This signifies that the migration is an important process in development of Duće settlement. Migration structure of Duće is also very interesting. Over 39 % of immigrants came to live in Duće from another country. Survey showed that these people were all gastarbeiters (on work in Germany) who wanted to come back to Croatia. Share of immigrants that came to Duće from other municipalities and those who came from other settlements of the Dugi Rat municipality is similar (30,4 %).

Unlike Okrug Municipality, where one fifth (27%) of population lives there since they were born, all respondent came to live in Okrug Gornji from another place. Nearly half (44,7 %) of these people immigrated to Okrug Gornji from other municipalities of Split-Dalmatia County and 42,4 % moved from abroad.

In Žnjan the inner-city migration<sup>42</sup> is present. Main factors for inner-city migration are changes in social or economic status, family life cycle and other personal reasons, environment degradation, rise or decrease of land value. None of the respondents lives in Žnjan since their birth, which corresponds to relatively recent date of building near the coast. It is important to notice that Žnjan immigrant population mostly arrived from the same municipality (Split) and that inner-city migration is dominant in this area with 60 % of all immigrants from other neighbourhoods in Split.

It should be noted that the sample for survey was not intended to be representative of population given the data needed for this study.

### **3.4.2. Testing the typology of informal construction**

The process of testing the typology of informal construction was conducted through a chain of steps. Each type was tested through survey results, existing studies and spatial plans analyses (where applicable) regarding the type of building, period of construction, sources of informality (ownership over land, initial land use, construction permits, expansions) and main actors and reasons for informal constructions.

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<sup>42</sup> The inner-city migration is migration from one place to another within the same city.

It should be noted that the answers to the questionnaire varied regarding in which neighbourhood they were conducted. The reliability of the answers was tested through several similar questions and it is clear that answers are not always consistent and respondents contradict their answers from question to question. This was partly due to the suspicion. Namely, the variability of the answers was lower in the neighbourhoods where the surveyors were announced to the respondents by the author's family members (Duće, Brda) than in neighbourhoods where surveyors arrived unannounced (Okrug Gornji, Žnjan).

#### **3.4.2.1. 1st type: informal housing motivated by the primary housing need in Brda neighbourhood**

Brda neighbourhood is located on the northern part of Split peninsula in the proximity of the north harbour, which is used mainly for cargo transport. Dwellings in this area are primarily for housing purpose as indicated by survey results. Almost all respondents (94 %) answered that they live in the house that was constructed for permanent living. Only one respondent lives in the house that was originally used as the secondary housing and only one said that his house was constructed as the multi-storey building with separate apartments. Also, only one respondent answered that he has a secondary house in Brda neighbourhood that is used only during the summer months.

Almost one third of respondents identified their house as multi-storey building with one family and several households (31 %), while another 27 % of respondents said that they live in family house with one family and one household. One fifth of them lives in family house with one family and several households (18 %). Since there is already a second generation of residents of the informal buildings, the ownership structure is not entirely based on families, which is indicated by 24 % of respondents who lives in the multi-storey buildings with different families inside. Generally, in the entire Brda area those multi-storey buildings are in fact family houses (built without developer and in the self-built tradition) that have lost one family ownership structure during time.

### ***Period of construction***

First construction in Brda neighbourhood appeared during the first episodes of extensive housing construction in Split, which took place in 1950s and 1960s when the industrialization in Split was at its peak, and is well documented in studies of Slobodan Bjelajac (1970) and later Sanja Klempić Bogadi (????). This is confirmed by the respondents who mainly believe that the first houses in the neighbourhood were constructed in 1960s (60,6 %) while over the third of them believe it was in 1950s (36,4 %). Majority of respondents also identified the 1960s as the period of the greatest expansions in Brda neighbourhood. Accordingly, as stated by respondents, most of the buildings date from period between 1960 and 1969 (75,8 %), while the minor part was constructed between 1950 and 1959 (18,2 %). Only 3,0 % were built in the 1980s. This corresponds with Bjelajac's (1979, 2009) findings that first inhabitants of Brda were poor comers from the hinterland who were driven by possibilities of employment due to rapid industrialization in Split in 1950s and 1960s.

### ***Sources of informality***

#### ***Ownership over land***

Almost two thirds of the respondents (64 %) claimed they are owners of the land they live on, while 24 % live on the land that is mostly owned by a family member. Since this is the second generation of immigrants, they have mainly inherited land together with the object. Although the research indicates that only a smaller number of them bought it from the private owners, comparison with Bjelajac's (1970) study on the original builders from which these respondents inherited their property, shows that the majority of them (78,2 %) bought the land where they built, and almost all of them (96,4 %) said they bought it from private owners.

#### ***Initial land use***

According to Bjelajac's (1970) research, the land use in Brda neighbourhood was violated – originally non-buildable land was used for construction.

### *Construction permits*

As in the most neighbourhoods the reliability of the answers was tested through several similar questions and it is clear that answers are not consistent and respondents contradict their answers from question to question. In this case 76 % of the respondents stated to have a building permit, but either they extensively build new parts or they were contradicting their answer with the reply which shows that 58 % of them is still in the process of legalization.

It should be noted that the experience of interviewers from the field indicated great aversion towards interviewers (especially when the construction is mentioned), though (mostly) they do not rent apartments to the tourists. Although the construction was spontaneous and not entirely legal and professional, given the experience in other case study neighbourhood this could potentially indicate some other illegal activities related to the very construction of buildings.

According to the research conducted for Urbanistic Institute of Dalmatia in 1970 the financial situation of the inhabitants often forced them to construct illegally which led to the establishment of Brda as one of the first neighbourhoods of informal construction.

### *Expansion*

Almost half of the respondents (48,5 %) stated that they did not have any additions to the original buildings. This should, however, be taken by reserve – analysis of orthophotos from the 1960s and 2000s, discovers changes on the already built objects. Nonetheless, they are not a prevailing characteristic of this neighbourhood. Regarding those admitting to have some new constructions on the building, most of them built it in the first decade of 21st century and they were mainly building a garage and other smaller interventions. Only two respondents (6,1 %) stated that they were upgrading their house more than once and they both did it in 1990s.

Given that initially Brda was mainly a low middle class neighbourhood (Bjelajac, 1970), its inhabitants did not have resources (from tourism for example) nor particular need (for tourism) to further build their units (Figure 9). According to Bjelajac (1970), average income of respondents in Brda (Split C) at the beginning of 1970s was 896,02 dinars in

comparison to an average of 1010,00 dinars of Split's inhabitants. This could be expected given that workers (86,4 %) dominated in the structure of respondents and 53,1 % of them were unqualified workers.

In conclusion, expansions on the objects are relatively minor in comparison to some other zones (e.g. Duće), and were driven by fulfilling their own needs instead of household budget.



Figure 11. Housing units in Brda neighbourhood (September 6, 2016)

### ***Who does it & main reasons for construction***

Today already the second generation of the residents of informal buildings live in Brda neighbourhood; however, they are mostly permanent residents. Large majority of respondents (82 %) stated they live in the object built by family members. Most of the objects were built by their parents (30 %) and with the help from extended family (24 %). That is well elaborated in the work of Bjelajac (1970): immigrants mainly could not afford renting (28 %) and could not wait to get the apartment from their companies.

Consequently, they built their own house in a manner of self-construction. It is important to note that more than a half of them built entire objects without professional help. Concrete blocks have been often used as the main building material and newly erected small houses sometimes remained even without proper roof for many years.

As for the reasons of informal building, almost half of respondents (47 %) stated they needed more space while 29 % justified it by argument that everybody else was doing it. The second answer corresponds to Bjelajac's (1970) findings where 11 % of respondents stated that "mainly everybody did it and state will not make any interventions". The proof for this statement is that only 33 % of respondents were punished in some kind of way for illegal construction.

#### *Infrastructural equipment*

Due to informal construction, in first decades the neighbourhood lacked the communal infrastructure. In those aspects, Brda was substandard in quality of life for its residents in comparison with other, planned settlements in Split. In the course of time Brda has been equipped with the sewage and drainage system, what was confirmed by all respondents. Although urban infrastructure is today present in Brda, one could still recognize unplanned character of the neighbourhood primarily through narrow, winding streets (Figure 12). Furthermore, Brda's inhabitants still depend on the social facilities of other, nearby neighbourhoods.



Figure 12. Digital orthophoto and map of the Brda neighbourhood

Sources: Geoportal, 2016; OpenStreetMap, 2016

*The attitude towards the legalization process*

The deficit of stateness is evident in the answers of most respondents – 57,6 % of the respondents do not believe that new legalization act will be able to change anything. This is equally the opinion of both those who are involved in the legalization process (57,9 %) and those who are not (57,1 %). However, 61,5 % of the respondents believe that it is risky not to legalize the building.

### **3.4.2.2. 2nd type: permanent residents building tourist apartments on their houses in Duće neighbourhood**

Neighbourhood of Duće is located in the proximity of the former factory of ferroalloys in Dugi Rat. Physiographically, it is a long and narrow strip of coastland stretching between a mountain and sandy beaches, with a state road passing through the middle. Although several analyses of the Yugoslavian housing system outline the marginal position of individual housing (Čaldarević, 1987; Bežovan and Dakić, 1990; Mandič and Clapham, 1996; Mandič, 2008), the Dugi Rat district was one of the areas where individual construction was legally endorsed. In the 1970s, due to its natural characteristics, a large swathe of the Dugi Rat territory (including the Duće neighbourhood) was designated for tourism (*Prostorni plan Općine Omiš*, 1976).

Today's inhabitants of Duće neighbourhood are predominately permanent residents (90 % of respondents), living there during the whole year. However, an obvious shift towards permanent living is evident since only 80 % of respondents said that they constructed the house for permanent living.

This type includes mainly family houses identified by inhabitants either as multi-storey buildings with one family and several households (51 %) or family house with one family and several households (27 %). Single family houses with one family and one household are far less represented – with only 17 %, while only 5 % of the respondents live in the multi-storey buildings with several families. It is important to note that, similar to the Brda neighbourhood, multi-storey building here represent mainly larger family houses built mostly by inhabitants.

#### ***Period of construction***

Construction in Duće neighbourhood coincides with the early episodes of extensive housing construction in the maritime zones in 1960s. This is the period of great industrialisation in Split, Omiš, and Dugi Rat, which caused constant worker shortage that pulled the landowners from the hinterland to the coast where they built family houses (Katurić, 2013). As stated by respondents, the construction started in 1960s (24,4 %), reached the peak in the 1970s (41,5 %), and slowed down in 1980s (22,0 %). This is the decade when the expansion of objects began (44,4 %), at first slow during the war years

in 1990s (11,1 %) and increased again in the 2000s. Most of respondents (34,1 %) stated that they upgraded some part of household in period from 2000 to 2010, which coincides with the period of recovery in tourism sector, while the construction and building upgrading significantly slowed down after 2008 due to the economic crisis in whole Croatia.

All of this is somewhat consistent with the perception of the neighbourhood: the overall opinion of the respondents was that the construction of the neighbourhood started in the 1960s and that greatest construction period was in the 1980s. Although the research started with the hypothesis that the greatest expansions of objects happened in the 2000s, it is evident that the general opinion of the respondent was that every good touristic year brought some new construction.

The main reason for building the expansions to the existing buildings can be found in the socio-economic context of the period. During the war in 1990s the collapse of industry and privatization led to high unemployment rates in this area. The revenues from the apartment renting became the only source of income. In order to maximise it, land owners began to illegally build expansions with new apartments. In addition, the accommodation standards also changed: shared facilities such as toilet or bathroom were no longer acceptable. Inhabitants made profit only in summer months and attempted to live from it through the rest of the year. This way the economic component of the construction has been amended with social component.

### ***Sources of informality***

#### *Ownership over land*

Majority of respondents (83 %) answered that they are the owners of the land on which are the houses they live in. In combination with age structure of respondents in Duće neighbourhood, this indicates that this is the first generation of the residents of informal buildings. Results correspond to the findings of Bjelajac (1970) for adjacent Poljičko primorje (in his case mainly Podstrana) that in those times inhabitants built on the land which historically belonged to their families and that they inherited. Namely, inhabitants of settlements located farther from the coast in the hilly hinterland owned the land near

the coast, and the industrialization of Split after Second World War gave them incentive to migrate to their lands.

The area of Duće was not part of the original Bjelajac research. However, he has researched other part of areas Poljičko primorje that have very similar characteristics (Duće is eastern part and he has researched Podstrana, western part closer to Split). In his research he described the situation regarding ownership over land. Illegal constructors in Poljičko primorje are considerably different compare to other illegal constructions in the region. Local residents, mostly farmers with larger areas of agricultural land and rarely in employment relationship, have illegally constructed objects on their own land, which is of far more attractive than it is in other neighbourhoods (Bjelajac, 1970: 77).

#### *Initial land use*

According to The Analysis and evaluation of condition of the coastal areas of the municipality Omiš affected by illegal constructions from 1987 there are no illegal buildings in Duće area (Figure 13). Analysis is made based on topographic-cadastral map and field visits. Spatial plans were basic determining document based on which this conclusion has been made. During the analysis it was established that there is one object in Duće that is illegally built but it was conducted that it is irrelevant for this study.

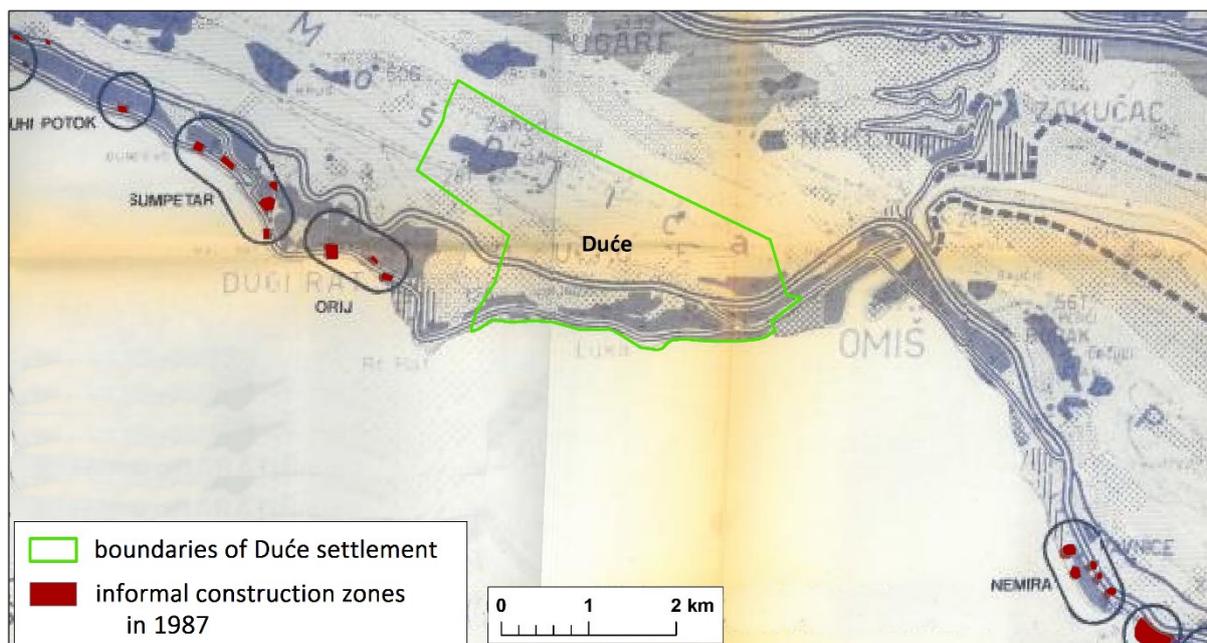


Figure 13. The section from Spatial plan of municipality Omiš with analysis of illegally built buildings: red polygons represent the land with illegal construction in 1987

Source: *Analiza i ocjena stanja obalnog područja Općine Omiš zahvaćenog bespravnom izgradnjom, 1987*

### *Construction permits*

Almost the same share of respondents who answered that they own the land on which are houses they live in also answered they have building permit (80,5 %). About 7 % of them have it for a section of the building, while 9,8 % do not have it at all. However, these answers are not consistent with answers about involvement in the legalization process. Namely, only 4,9 % of all respondents were not in legalization process at that moment because everything was built legal. Most of respondents (36,6 %) who did not enter previous legalization process did not know that they have to do it. Vast majority (85 %) of the respondents are in the ongoing legalization process. When asked about the reasons of not entering previous legalization processes they stated that they were not familiar with the need to start it or that they did not have the resources.

It is interesting to add the note from surveyors who marked that “although Duće is a tourist destination, and the research was conducted in the middle of the tourist season when fear of various potential inspections can be expected, people generally did not have problems responding to the questionnaire”.

## *Expansion*

Only 11,1 % of the respondents did not build the upgrade to their house. Construction of expansions on buildings started in 1970s during the great turistification of Croatia. This process flourished in 1980s (44,4 % of respondents made the first upgrade and further 12,2 % made the second upgrade) and was primarily driven by the process of deindustrialization and consequent loss of jobs when renting rooms to the tourists became important source of household income. During the war years the process slowed down (11,1 %) but illegal redevelopment continued after 1997, which was also the year of significant rise of tourist visits (KaturiĆ, 2013). Building the expansions flourished again in 2000s when respondents built the second upgrade to their units (12,2 %).

The interventions were made on almost all elements of the buildings, however, the special category are floors (22,0 %) and lofts (24,4 %) which were renovated and turned into apartments for tourists (Figure 12). The same applies for both first and second upgrade to the building. This process was named apartmanization and was generally condemned, firstly in the press and later in policy documents. However, the success of this type of tourism-related development has revealed the active role of informal construction in local survival strategies (Mingione, 1983, 1991; Kesteloot and Meert, 1999).

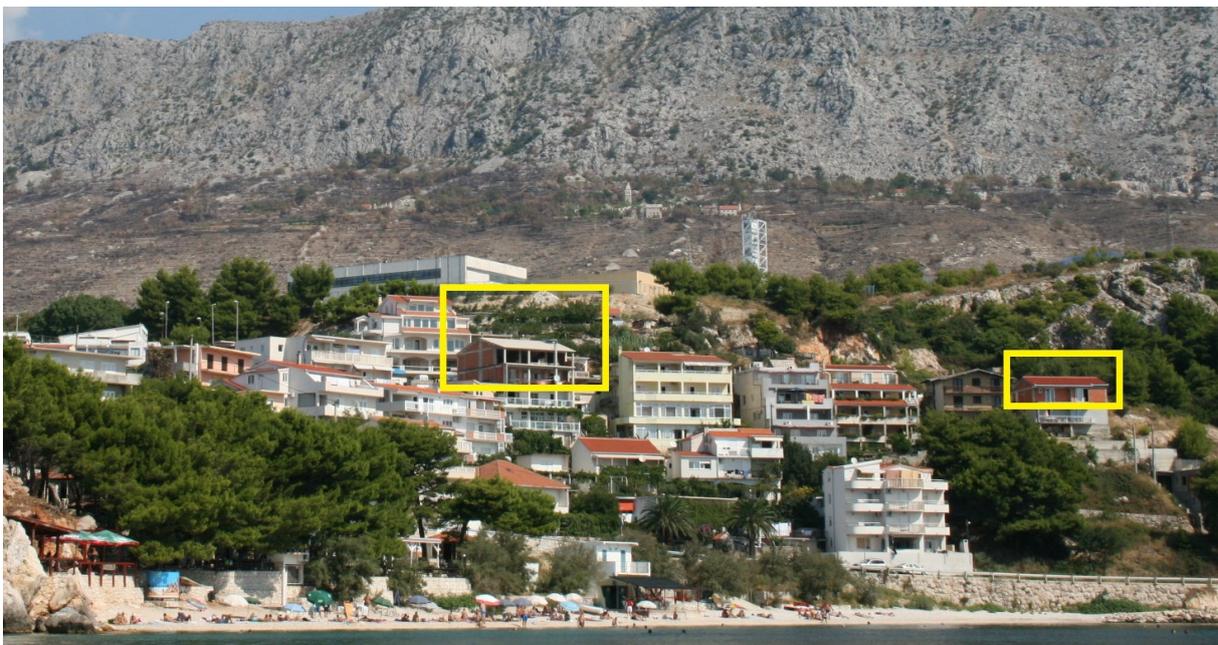


Figure 14. Examples of upgrades on the existing buildings in Duće (September 1, 2013) – growing to the height and widths

### ***Who does it & main reasons for construction***

Large majority of objects (93 %) were built by the members of the family. About a half of respondents (49 %) stated that they built entire building by themselves. The same applies for the upgrades of the buildings.

In historical context this was the first phase of turistification in Central Dalmatia and the state designated the belt between Dugi Rat and Omiš for tourism and built worker's resorts. Hence, above the state road the land owners constructed houses in which they lived, but also rented rooms as apartments to the tourists. Below the road the private tourist camps and public beaches were constructed. Although private rooms and tourist camps in the communist period accounted for the significant income for the local residents, the main source of income in the area was employment in major factories (Katurić, 2013). This allowed them to build infrastructurally better equipped houses on their own land. By looking at reasons for construction, 80 % of respondents said that they constructed the house for permanent living, while 20 % built it having in mind tourist rent.

The situation changes in 1980s and especially in 2000s when renting to the tourists became the main reason for informal construction, i.e. upgrading the existing buildings. Namely, badly managed privatization in Dugi Rat Municipality as well as the lack of development strategy left few options for new formal employment, and inhabitants have been forced to find the better source of income for their households (Katurić, 2013). However, residents of informal buildings stated that the main reason for informal construction was the need for more space (50 %) and the fact that everybody did it (25 %).

### ***Infrastructural equipment***

Despite formal construction in the first place, there was no systematic construction planning for the settlement, which is obvious on the ground plan of the Duće neighbourhood (Figure 15). As the buildings were built formally, the infrastructure construction followed the settlement development. However, until today sewage system has not been built-in in the whole settlement. Almost 83 % of the respondents stated that they use septic tank for the wastewater disposal. Croatian framework of national law on

municipal taxation obliges the building owners to pay fees for the maintenance of city infrastructure (cro. *komunalna naknada*) and nominally obliges the local municipality to provide infrastructure defined by law. However, the Law does not state the consequences for the municipality if it does not provide infrastructure for the building in question (Katurić et al., 2013).



Figure 15. Digital orthophoto and map of the Duće neighbourhood

Sources: Geoportal, 2016; OpenStreetMap, 2016

### *The attitude towards the legalization process*

Duće neighbourhood is characterized by deficit of stateness as well. In total 58,5 % of respondents believe that the situation will remain the same after the implementation of new legalization act. However, significant differences between respondents are present

regarding the involvement in the legalization process. While 65,7 % of respondents who are involved in the legalization process believe that new legalization act will not bring any significant change, only one person (16,7 %) that is not involved in the legalization process considers the same. This corresponds to the fact that only one person that is not involved in the legalization process also believes that it is risky not to legalize the building.

#### **3.4.2.3. 3rd type: secondary housing in Okrug Gornji neighbourhood**

Okrug Gornji is a settlement in the Okrug Municipality on Island of Čiovo. It was built in the second half of the 20th century as the second home settlement. Opačić (2008a) characterizes the Okrug Gornji as the settlement with the largest number of secondary homes in Split-Dalmatia County. This characteristic was also confirmed in the survey. Majority of respondents (61 %) said that they constructed their house mainly for the secondary housing purpose and a large number of them is still used only in certain parts of the year. According to the questionnaire results, 54 % of the respondents still do not use the building in Okrug Gornji as their only residence, but as their second house, mostly from June to October, confirming the type as the originally secondary housing units. These respondents have their other objects outside Croatia (33 %), somewhere else in Croatia (40 %) and in other settlements in Split-Dalmatia County (27 %). This somewhat changes the established picture of Čiovo as dominantly secondary housing of Split residents. From the informal conversations with respondents it seems that they were mostly gastarbeiters. It should be noted that the Okrug Municipality has a distinctive tourist function with highest concentration of tourists in comparison with other case study neighbourhoods. That was the reason of difficulty to locate the owners of buildings for the survey.

The Okrug Gornji neighbourhood is mainly characterized by multi-storey buildings constructed by inhabitants of other settlements in Split-Dalmatia County making Okrug Gornji a new settlement (with no respondents born there). About 39 % identified their house as a multi-storey building with one family, 14 % as a house with one family and one household and 11 % as a house with one family and several households, meaning that majority of buildings can be regarded as the family houses. Still, 36 % of the respondents live in multi-storey buildings with several families which means, in this case, that initial builders sold out flats.

### ***Period of construction***

Similar to second type (Duće neighbourhood), the construction of houses in Okrug Gornji neighbourhood started in 1960s (21,4 %), culminated during the 1970s (53,6 %), and decreased in 1980s (17,9 %), according to the survey respondents. It is not irrelevant that 7,1 % of respondents' houses were constructed after 2010. Half of the respondents placed the greatest expansion in the 1970s, while one third saw the 1980s as the greatest expansion period. The period of substantial changes to the buildings lasted through 1980s and 1990s (69 % of the respondents) when the new objects slowly stopped being built (cf. Miletić, 2011). This corresponds with the initial hypothesis that the surplus in income in 1970s stimulated the inhabitants of Split and surrounding cities to illegally construct secondary houses on the Island of Čiovo in parts that were at that time not populated (Alfier, 1987; cf. Opačić, 2008b). This new settlement can be called "large autonomous secondary house settlements" according to Alfier (1987, p.247) Not long after that, they began to build illegal expansions and rent apartments to the tourists. After the change in the housing system, certain portion of inhabitants from Split came to live in their parents' secondary houses on Čiovo. This way secondary houses (and in some cases apartments for tourists) are transformed into the permanent homes.

### ***Sources of informality***

#### *Ownership over land*

A large majority of respondents (86 %) stated that they are the owners of the houses they live in, while ownership over land was equally divided between inheritance and acquisition from the private owners.

#### *Initial land use*

By comparing the Spatial plan of the former municipality of Trogir with the actual situation in the field, it was concluded that the 1,56 ha was built with illegal building (Figure 16), i.e. 29 second home building and 10 permanent housing units. The areas of informal construction are primarily intended for the forests, parks and gardens around built-up areas. Certain number of the objects is located in the zone for protection of the

planned road. According to The Analysis and evaluation of condition of the coastal areas of the municipality Trogir affected by illegal constructions from 1986, illegally constructed buildings create disorder in space and they need to be removed. Analysis is made based on aerophotogrammetry images, field visits and analysis of existing spatial plans. Spatial relations are mostly disordered in areas of the protection zone near the roads.

According to Figure 16 which presents the informally constructed objects identified in 1986 on the digital orthophoto from 2016., and in comparison to Figure 17, it can be observed that then certain zones of informal construction are now expanded with new buildings.

#### *Construction permits*

This answer remains in the domain of good will of respondents and this can be seen in the structure of answers' frequencies. High share of respondents (85,7 %) said to have building permits, but all respondents (100,0 %) stated that they have building and location permit and 75,0 % of them also have other type of permit. However, one quarter of respondents have new legalization act application, although even 28,6 % of them is involved in the legalization process.

#### *Expansion*

More than a half of the respondents (57,1 %) did some adaptations to the house. Mostly they built the floor (25,0 %) and loft (10,7 %), however almost no one upgraded second time. The period of the greatest redevelopment was in 1980s and 1990s when buildings constructed for secondary housing were adapted into the apartments for renting to the tourists, and partially when some of the second homes were converted to houses for permanent living.

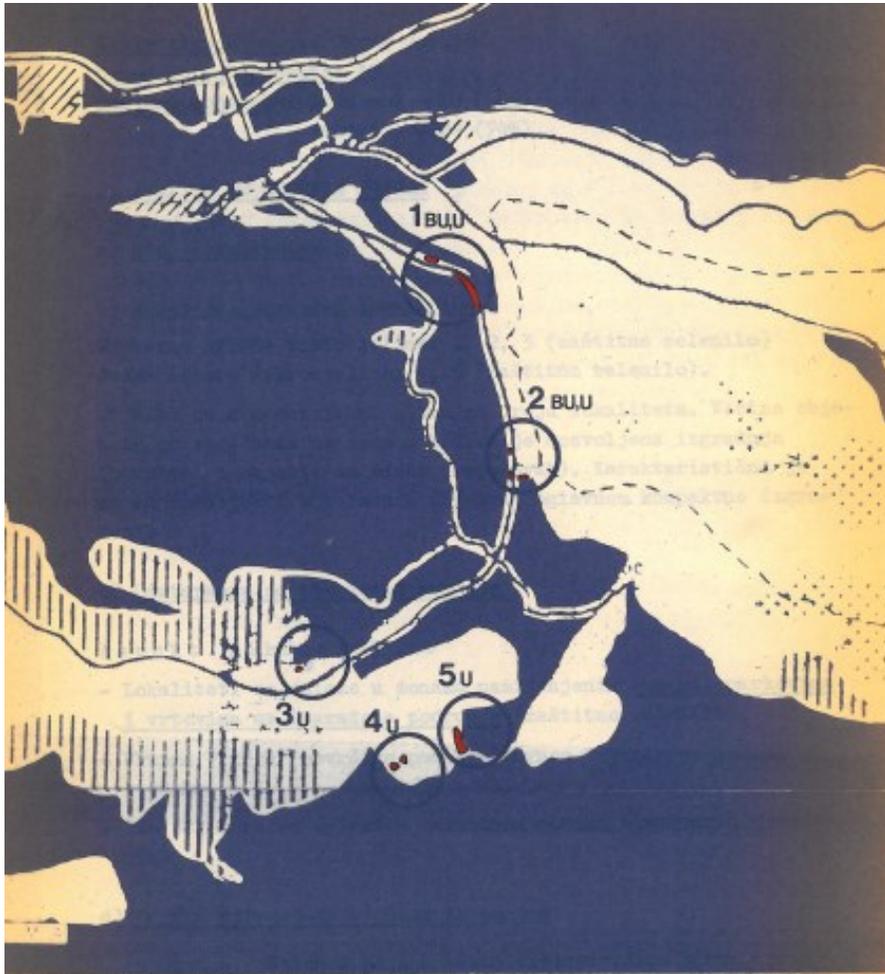


Figure 16. Illegally built buildings in Okrug Gornji: red polygons represent the land with illegal construction in 1986

Source: *Analiza i ocjena stanja obalnog područja Općine Trogir zahvaćenog bespravnom izgradnjom*, 1986

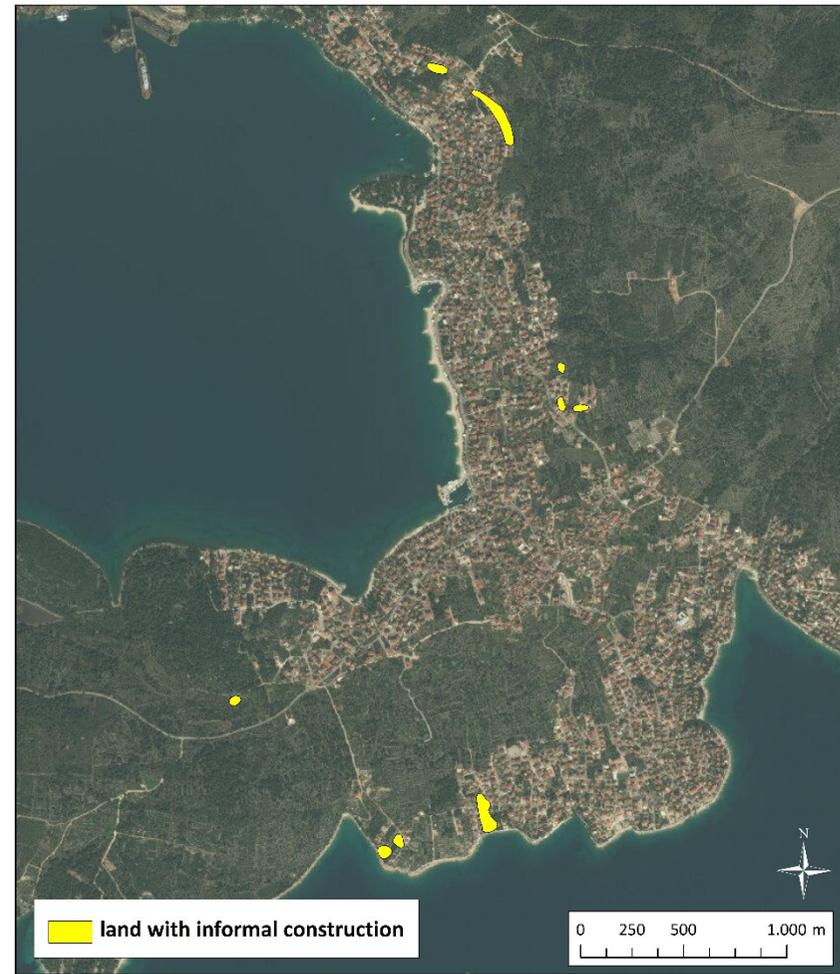


Figure 17. Illegally built buildings in Okrug Gornji in relation to the contemporary built area

Source: Geoportal, 2016



Figure 18. Housing units in Okrug Gornji neighbourhood (September 6, 2016)

### ***Who does it & main reasons for construction***

According to survey, only 7,1 % of the respondents had professional help during construction, while 82,2 % of them built houses either by themselves or with the help of their family. In total 78,6 % of the respondents built entire house without any professional help, while 21,4 % used the professional help for some parts of the building. However, as in other neighbourhoods most of the respondents claim to have an architectural design of the object but they probably had some kind of a generic design or they did not answer to the question properly. The role of developer is still absent as evident from other questions. As for the justification of informal construction 62 % replied that everybody did it.

### ***Infrastructural equipment***

Due to informal construction infrastructure has not been fully introduced; consequently, only 29 % of the respondents have the sewage system, while more than two thirds use

the septic tanks. It should be emphasized that the problem in secondary home settlements is that buildings are built and owned by the non-permanent residents who thus do not bear the cost of communal infrastructure construction and maintenance.

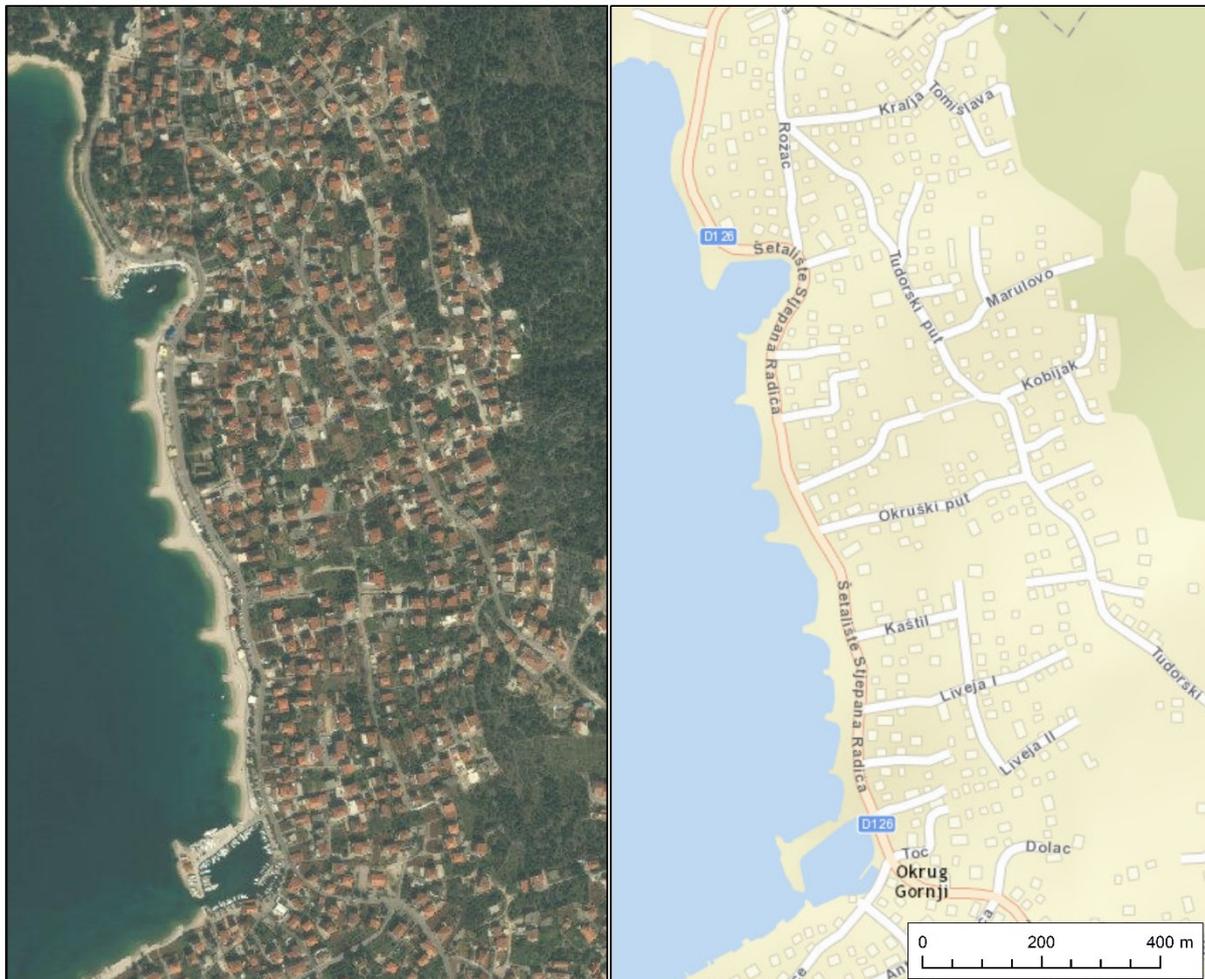


Figure 19. Digital orthophoto and map of the northern part of Okrug Gornji neighbourhood

Sources: Geoportal, 2016; OpenStreetMap, 2016

### *The attitude towards the legalization process*

The phenomenon of the deficit of stateness is less pronounced in this neighbourhood in comparison to the other three. Slightly more than half of the respondents (53,6 %) believe that everything will remain the same after the legalization process, although 90,0 % of respondents think that it is risky not to legalize a housing unit. Those respondents who are involved in the legalization process are divided regarding the significance of the

changes that new legalization act will bring (50,0 % against 50,0 %). Similar figures can be observed among those respondents who are not involved in the legalization process since 55,0 % of them think that new legalization act will not bring any significant change in comparison to 45,0 % who think otherwise.

#### **3.4.2.4. 4th type: developer-led informal housing construction in Žnjan neighbourhood**

Žnjan neighbourhood is part of the southern Split. Although the land is not designated for the residential purpose, almost all of the respondents (97 %) use the housing unit as their only residence. Literally all housing units (100 %) are typical multi-storey buildings with several apartments and several families which were built mostly between 2000 and 2010 (90,6 %), while the rest is of newer date. However, the use of building for permanent living or tourism is rather confusing in this neighbourhood.

##### ***Period of construction***

In the period of deep change of socio-economic and socio-political system that started during the late 1980s and continued through the 1990s, the stagnation in the development of new land use plans was exploited by certain social groups in order to develop large-scale housing estates in the locations previously reserved for city parks and recreation areas. Those changes were legal, covered by small scale detailed plans, but not legitimate since they were built with taking advantage of a legislative and political void. Leburić, Maroević and Šuljug (2005) labelled this type of informal construction as “legally illegal”, relating to legal but not legitimate development.

About two thirds (68,8 %) of the respondents believe that the construction of the first buildings in Žnjan neighbourhood started in the 2000s, and 15,6 % said that it has started in the 1990s. This also corresponds with the belief that the period of the greatest expansion of the neighbourhood was in the 2000s (72 %). However, 90,6 % of respondents stated that their building was constructed between 2000 and 2010, 9,4 % stated it was after 2010, but nobody mentioned it was built before 2000s.

## ***Sources of informality***

### *Ownership over land*

In the case of Žnjan neighbourhood the construction companies (or developers) play the prominent role which produces the crucial difference from the other types – 100 % of the respondents bought their housing units. In this context it is more than curious and in fact characteristic that 34 % of the respondents are still in the dispute over the ownership. Also, 41 % of the respondents are involved in the legalization process although none of them did any upgrades to their living space (“sometimes you need to legalize only balcony that you closed, so initially we thought that this was an issue”). This indicates that respondents either were ignorant when buying apartments without complete documentation or knowingly accepted the risk of buying a cheaper but legally uncertain property. This is also visible in the way in which the property was acquired since 58 % of respondents bought the units from developers and 38 % from the private owners. Furthermore, 62 % of respondents answered that the investor or developer of the building was the one to decide whether to enter in the legalization process.

Finally, it is visible that this was a large-scale business in which developers gained significant profit either from the naïve users or from the people consciously buying the risky property. However, the scale of the scam, the entire parts of the city developed in this manner, calls for the detailed review of this types of development which goes beyond scientific exploration.

It is important to note that most of the respondents did not feel the personal responsibility for illegality of the construction but blamed developer for the scam.

For Žnjan neighbourhood interviewers have noted that: “...Conducting survey research in the coastal area of Split - Žnjan was particularly interesting. Namely, the buildings in which the research was conducted are mainly residential buildings constructed in the last 10-15 years. Most of the respondents had complaints about investors and demonstrated that there are various irregularities and disputes over the ownership. Many disputes are still ongoing and a certain fear in the respondents is noticed because of their doubt whether interviewers are indeed those whom they represent themselves. For this reason, some situation that did not happen in other areas of research occurred here. Some respondents returned the questionnaire in the middle of the interview, and refused to

respond to the questions because they did not feel comfortable and safe. Some were even double checking the completed part of the questionnaire in order to make sure it will not cause them problems, despite their anonymity being guaranteed to them. On the other hand, there were those who were openly willing to say what they think. Thus, some of the respondents claim that construction in some parts was completely illegal and unlicensed (beyond the scope of architectural projects) and people used to remove the sealed enclosure (tapes) warnings from the sites in order to proceed with the construction. A common response was a lack or a problem with a use permit. Also, the entrance to one of the buildings is possible only through the garage while in the same building unit only one garage is charted, while in reality there are many more...”

### *Initial land use*

According to the General Urban Plan from 1978, in the coastal zone from Trstenik to Stobreč, which also includes the area of Žnjan, monofunctional zones allocated for the tourism and sport and recreation were planned (Figure 6). Previous land use was agricultural and in 1970s Split's inhabitants had flower and vegetable gardens in Žnjan with illegally constructed buildings bring rather rare (Samokovlija Dragičević, 2006). However, as noted in the work of Leburic et al. (2005), this area was later built mostly through housing construction, which in some cases entirely violated the regulations but was mostly legally illegal. This term was used by sociologist and urban planner Maroević to emphasise the legal but not legitimate amendments to the urban plans where city green areas were reallocated to the more commercial uses such as housing. Already at the beginning of the 1980s numerous requests for the interpolations and reconstructions initiated this process. During the 1990s and at the beginning of the 2000s this process was intensified and numerous detailed plans were introduced allowing developers to build multi-storey housing complexes in the areas previously allocated as green zones which are without proper and sufficient infrastructure. This is also why many of the buildings in the areas did not have all permits.

### *Construction permits*

During the testing of this typology the questions on possession of building permits and other necessary documents and involvement in the legalization process proved to be a good test of the issues of legality. Namely, 84,4 % of respondents answered that they have the building permit, but in the next question 100,0 % of respondents specified that they have building and location and 93,8 % said that also have some other type of permit. Moreover, 31,3 % of respondents have applied their housing unit to legalization process, although they all respondents (100,0 %) stated that they have legalization confirmation. Furthermore, ten respondents (31,3 %) replied that they entered the legalization process, but 13 respondents (40,6 %) stated that they are involved in the legalization process at the moment. More than a half of respondents said that their housing unit was built legal and therefore they are not involved in the legalization process.

### *Expansion*

Regarding the upgrades and expansion of objects none of the respondents answered they redeveloped their housing units, which is expected given the type of buildings in this neighbourhoods – multi-storey buildings with several apartments and several families.



Figure 20. Housing units in Žnjan neighbourhood (September 6, 2016)

### ***Who does it & main reasons for construction***

The construction was completely done by the constructing companies (or developers) which is also confirmed by the respondents who all (100 %) stated that they bought their housing units. Developers bought<sup>43</sup> the land (designated for tourism, recreation and green space purposes) and instead of building tourist objects they constructed multi-storey houses and flats for which they could not get use permit (Klempić, 2003). Thus, they sold the flats on the land that has not been converted into the residential land. Because of this, great portion of area of Žnjan is still officially designated as tourist apartments, despite actually consisting of luxury flats and penthouses in which people live for twenty years.

The constructing of multi-storey buildings was developer-led initiative for market purpose. It should be emphasized that the use of buildings (permanent living or tourism) is rather confusing in this neighbourhood. The flats are legally still tourist apartments and even respondents answered that the primary use was for tourism (25 %). This should by

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<sup>43</sup> However, sometimes even the land has not been fully purchased.

no means be equated with other neighbourhoods since here it is just a questions of legislation violation.

### *Infrastructural equipment*

Given that the building the object was legal the infrastructure has been introduced to the neighbourhood. All respondents stated that they use the sewage system for the wastewater disposal.



Figure 21. Digital orthophoto and map of the Žnjan neighbourhood

Sources: Geoportal, 2016; OpenStreetMap, 2016

### *The attitude towards the legalization process*

Although a half of the respondents replied that it is risky not to legalize the building, most of them believe that the new act on legalization would not bring any substantial change in the treatment of the informal construction. This attitude is, at the same time, more pronounced among those respondents who are not involved in the legalization process (84,6 %) than among those who are involved in the legalization process (66,7 %).

### **3.5. FINAL PROPOSAL OF THE TYPOLOGY OF INFORMAL CONSTRUCTION**

Final proposal of the role of typology of informal construction is introduced based on case studies analysed in previous sections. The four identified types do not constitute an attempt to cover all kinds of informal construction; instead they seek to encapsulate the major tendencies as the result of the different housing systems and welfare systems in both communist and post-communist periods. In this sense although they have been researched in the specific space (neighbourhoods) they do not refer to the specific place: rather variations upon them overlap and merge into one another. To seek to map them as discrete categories would be to misrepresent the purpose of identifying the ideal types.

The four ideal types of informal housing construction are outlined as shown:

#### ***THE INFORMAL HOUSING***

Throughout much of the communist period informal construction was predominantly directed towards resolving the primary housing needs of the citizens. This was especially true during the first period of rapid urbanization i.e. during the first wave of rural-urban migrants, and it expanded later as the individual housing construction in different social groups. The main characteristic of this type is that informal buildings were erected on bought or leased land through self-promotion and in the most cases self-construction. The initial land use was not for housing nor building in general, hence building permit was not obtained by the builders.

Historically this type was inhabited by the workers with lower income who were unable even to pay the rent for the social housing. However, during time this type grew to deal with the housing needs of the great part of the urban population due to the specific economic and social factors (such as worker's loans, familialism and the construction of the house; Mandić and Clapham, 1996). The extent of this type is still to be defined in the post-communist period, as it does not seem to be the dominant model in coastal areas of Croatia.

During both communist and post-communist periods historical informal construction has been judged by the fractions of middle-class residents oriented towards the protection of

urban landscape, connecting this type of development with the rural migrants and their way of life (as mentioned even in Klempić, 2004). Demands from middle-class fractions provided the discursive basis for the political elites to start the series of the destructions followed by the series of legalizations. So, through the local political system, strong opposition is likely to be aroused by its significant impact on the landscape. Although informality of this type of development is defined by the land use, through the local taxation system they have been allowed access to electricity, water and where existent even sewage system, all of which they paid regularly. However, provision of basic infrastructure in the unplanned settlements is significantly higher (irregular and expensive patterns of roads constructed between houses). This type can be labelled as the informal housing where only the need to resolve the primary housing need is met. In the communist period it was part of the grey zone of individual housing construction, while in the post-communist period with the changes in the housing provision chain and tenure division, when the access to housing is increasingly limited, it could become even more important model to deal with resolving the primary housing needs.

### ***THE COMPOSITE TYPE***

The composite type is characterised by the use of informal construction for both living and working. In this type permanent residents of informal construction use their houses to initiate business from which they live, thus these objects are used as the source of income of its residents. The source of informality lies in redevelopment since legally constructed building were later upgraded with working parts mainly but also with housing parts. One of the main subdivisions of this type are informally expanded buildings with units for living and apartments for renting to the tourists. However, besides the apartments the working units can be shops, mechanist offices etc. as researched in other cases and other areas (Kapetanović and Katurić, 2015).

Construction in this type mainly started in the period of communism, but gained significant momentum in the post-communist period when the unemployment of the entire generation forced the whole families to rely on these activities (Katurić, 2013; Bičanić and Franičević, 2002). It is difficult to distinguish the extent of informality of the activities, since mostly they are regulated under different laws (so there can be legal activity of tourist renting in the illegally constructed building). The social component of

informal construction should not be neglected as the construction, irrelevant of its (in)formality, provides the source of income for the entire families. However, the problem arises in situations when the income becomes high, while family retains the unemployment status with all benefits during the entire year. This way the taxation is diminished and the contribution to the construction and maintenance of the infrastructure bypassed, although the family partially reckon on it for making the profit.

### ***THE INFORMAL SECONDARY HOUSING***

The third type entails the informal construction of the second homes and redevelopment for housing and commercial purposes. The main difference between this and the other types is that the initial owner of the informal construction does not live in it, but uses it as a secondary residence.

The main consequence of such conditions is the lack of the communal and public infrastructure. Namely, state in the communist period allowed the connection of the building to the sewage and power network for one-time accession fee, but owners of those buildings were not obliged to continue paying to municipality for the public infrastructure construction and maintenance. Hence, the cost of the infrastructure construction lies on the permanent residents who are taxpayers. This is especially a problem in the enclaves where there is an extremely high stock of informally constructed second homes with a high proportion of summer tourists conflicting with the low number of permanent residents. The historical pathway of the secondary housing in Croatia has been researched in numerous studies (Opačić, 2008a, 2008b, 2011; Opačić and Mikačić, 2009; Miletić, 2006, 2011; Duda, 2005, 2010) and it can be concluded that it is closely related to the history of tourism in Croatia in general and communist period in particular (Duda, 2005, 2010). However, the question of public infrastructure in settlements with secondary housing has been raised but never researched in-depth.

Another important characteristic of this type is the informal redevelopment which occurs in post-communist period due to the change in housing provision opportunities and tourism recovery in order to fulfil housing and income needs. The importance of this type lies in fact that sometimes it can solve the questions of housing of the second generation of secondary homes builders, whose access to housing became extremely difficult in the

new housing system<sup>44</sup>. However, the second homes are in some cases upgraded and transformed into the apartments for renting to the tourist and in this way became a source of income. The owners of such redeveloped buildings, generally not permanent residents, can be recognized as the figures of small-scale developers<sup>45</sup>. This model of mostly informal construction is known in literature as *apartmanization* and in the post-communist period it became the dominant one in terms of quantity of the constructed square metres. Examples of secondary housing enclaves have been largely cited as the worst cases of the apartmanization.

In areas where paternalistic tradition in land ownership still dominates the land-tenure pattern the land-development process is still shaped significantly by the interests and outlook of existing landowners. Here the discourse between intruders (secondary housing) and permanent residents seems to shape the public debate. In other cases, where the entire enclaves are built as the secondary housing there is significant difference between the articulation of the interest between old and new secondary housing inhabitants.

Certain similarities can be detected in this and the fourth type, since there is a thin line between development in these two types. The moment in which the homeowner, non-resident, starts to develop building for sole purpose of renting it to the tourist brings the informal construction development far closer to the fourth type than it was the case with the secondary housing construction in communist period.

### ***THE DEVELOPER-LED INFORMAL CONSTRUCTION***

The main difference between this and all three of the above mentioned types is the way of housing provision. All three previous types are related to self-promotion of housing, and in many cases even self-construction, where residents are developers and promoters of the housing and the developer's gain remains mostly related to the figure of homeowners. Irrespective of the final use of construction (whether housing, commercial development or tourism), this type of informal construction is characterised by the role

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<sup>44</sup> This is well presented in the work of Zanfi (2008) on the examples of informal housing in Rome where initial second home became the first home of the second generation, enabling them to solve their housing issues. Similar situation can be found in some cases on Čiovo Island.

<sup>45</sup> It can be distinguished when there is a company behind the construction and when it is the private enterprise.

of constructing companies or developers. The introduction of figure of developer in informal construction is crucial because of the great structural change in the housing system – the speculative land supply and profit regime based on development gain result in the structural change in the access to housing, the move towards the dualist rental system characterised by the imbalance proportion of tenures and divisive socio-tenure differentiation.

The source of informality is the construction which violates the planned land use in order to gain the profit. The informal construction is enabled through the clientelist relationship between new post-communist elite (Franičević, Bičanić 2002 on this issue of crony capitalism) and local administration. The punctual modifications were made in the local planning documentation in order to allow the building, however, the construction permits could not be obtained. Maroević et al. (2005) labelled this type of informal construction as “legal but not legitimate”. Developers gain the profit and assigned a part of it to the political elites who made the documentation modifications. The residents of the informally constructed buildings are generally somewhere in-between – as the victims of the process or the developer’s accomplices (in some cases deceived by developers’ false documentation and completely ignorant, trapped in the legal uncertainties but also sometimes intentionally entering in the lucrative enterprises).

In this type of informal construction there is little concern for the welfare of the community (e.g. communal infrastructure etc.). Damage caused by this type of development projects is often muted and voiced most strongly from outside the city. Moreover, developer-led informal construction embodies the structural change of the housing system – the speculative land ownership and profit regime based on the development gain.

## 4. DISCUSSION

The results of the preceding analysis show that in this research the informal construction in the framework of welfare and housing system is regarded as heavily influenced by the economic, political and social change of the post-communist period. However, it is also outlined that this change does not take place in the vacuum and that informal construction was extensive phenomena in the communist period as well. The fundamental difference between this and already existing research on informal construction is the shift from the notion that informal construction is a system deviation which will eventually be integrated through diverse planning instruments and law adjustments.

The most prominent work on the informal construction in Southeast Europe context is the already mentioned research of Tsenkova (2006, 2007, 2009a, 2009b), who works on the informal construction types. However, the research presented in this dissertation was carried out from a completely different perspective. While the focus of Tsenkova is on the description of the formal characteristics of informal construction treating it primarily as a land use problem and only marginally dealing with the issues of property, this dissertation was conceived on the premises that informal construction is a part of the housing system and the key starting point in understanding the housing system inequalities and the changed role of the housing. Furthermore, from the research of Tsenkova a strong belief in the regulatory framework and the possibility of introducing an order is evident, while the typology is based on the information provided by the institutions<sup>46</sup>. The typology delivered in this dissertation, however, is derived from the qualitative analysis and the information provided by the multiple sources such as informal inhabitants, GIS analysis and document review. Other research provided interesting insights in the different types of built environment (Zanfi, 2008) focusing on the urban form, with good insight on the informal inhabitants through semi-structured interviews however without systematic link with the researches on welfare and housing. Although they did not work directly with the informal construction, research of Allen et al. on the Southeast Europe housing also provided crucial directions for this research and guided it towards the welfare and housing system. Work of Arbaci (2007, 2008), on the

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<sup>46</sup> Without going in further analysis and with the knowledge of the Croatian situation, the Ministry of Construction and Physical Planning was contacted and they explained that they have started successful regeneration policies through urban planning instruments.

other hand, in which he operationalized the categories of the housing system, mainly housing provision chain and the link with the welfare systems, provided analytical categories which were on the local level. Also, it has directed this research towards the critical factors that influence the differences between communist and post-communist housing systems – profit regime in development gain and speculative land supply.

The recent research on informal construction argues that informality is produced by the state, and that this is apparent in all its various forms, from the high-end informal subdivisions to squatter settlements (Roy, 2005; McFarlane, 2012). Building on this, this research has moved towards the interpretation of what the state does, but following Allen et al. (2004) the focus of analysis was equally also on what the state does not do, and even more beyond the state intervention and state market nexus, on the welfare and housing systems as the wider formations, including familialism and deficit of stateness (Koolber and Uisitalo, 1992).

Implicit in the most analysis on informal construction, especially when dealing with post-communist system, is the promise that the informal sector will eventually be integrated into a modern and manageable economy, ones the legalization laws are proper, the procedures followed and the regeneration processes implemented. Results of this research indicate that the focus should be completely shifted and the complex picture of each housing system assessed, and only then will the differentiated nature of informal construction with its related housing rights be understood.

The informal construction and the changes within it do not chaotically ravage. This research shows that it goes through changes inside the structured systems of housing and welfare and this made it possible to assess how the past represents a context for the present.

The decline of the socialist social state and transformation of the respective housing system has opened a way for the emergence of a more differentiated informal construction, one whose function is determined by the complex assemblage of economic, social and political elements structuring the housing and welfare systems. These elements may be present at diverse scales, but will give informal construction different complexions. While there may in principle be an infinite number of these complexions, based on this research it can be argued that it makes sense to try to simplify the position by identifying certain features that are likely to be crucial in structuring the course of

informal construction and even more its position and influence on the housing system change. To give indications how these might come together in informal construction a set of ideal types has been outlined indicating possible combinations of economic, social and political forms.

The four identified types do not constitute an attempt to cover all kinds of informal construction, but instead seek to encapsulate the major tendencies as the result of the different housing and welfare systems in both periods. The following types have been identified:

1. The informal housing,
2. The composite type,
3. The informal secondary housing,
4. Developer-led informal construction.

In this sense, although they have been investigated in the specific space (neighbourhood/district level), they do not refer to the specific location. Rather variations upon them overlap and merge into one another. To seek to map them as discrete categories would be to misrepresent the purpose of identification of the ideal types.

The purpose is to provide an initial organizing framework within which the relations between key social, economic and political processes understood through the categories of housing and welfare system may be examined in particular places. Also, these ideal types are distilled from Croatian experience, but insofar as they encapsulate the tendencies of the Southeast Europe housing system restructuring they may resonate with the experience of the informal construction elsewhere.

The four types of informal construction discussed above indicate the range of conditions that may result from seemingly homogeneous phenomenon. They illustrate responses to the changes of the wider housing and welfare system and the extent to which in the different housing systems the outcome of the seemingly homogenous phenomenon can take totally different meaning, especially with the focus on who owns the informal construction.

The relation between basic parameters is determined by the:

- Sources of informality (ownership over land, land use, construction permit),

- Main reasons for construction,
- Who does it,
- Period of construction or the presence of type in different periods.

The meaning and role of informal construction is assigned by the different housing and welfare systems, different constellations of the wider social formations.

Finally, it is important to note that the “ideal types” represent a static notion of informal construction characteristics, with the aim to articulate how these conditions may mediate the broader tendencies identified in the housing and welfare systems. Research on the local level showed that outcomes are dependent upon the local context as well, and the particular local housing and welfare system.

To understand how and whys of the informal construction, much more dynamic methodology than sole ideal types is needed. Hence the contribution of this research is not only in the definition of the static ideal types. It is in design of new methodology, proposing the model for informal construction research. It consists of the analysis of the local housing system using the categories identified at the national level.

This is why the research insisted on anchoring the informal construction not only in the national housing and welfare system, but also in the local. Other existing studies on the local welfare systems have shown how the articulation of the various forces can take place at the local level (Mingione and Oberti, 2003). The goal of this dissertation was to structure the model of the analysis of the local housing system as well and relate it to the research on the national level using the same analytical categories of the housing provision chain and housing tenure (Arbaci, 2007).

The analytical categories built on the national level were used to structure the research model:

- Land supply,
- Profit regime,
- Scale of production,
- Tenure structure.

In relation to the results, this research has shown that it is possible to relate the main characteristics of the communist period housing and welfare system to the socio-

democratic cluster – there was mainly large scale production of housing, public land supply or the land rent in the case of the individual construction, profit regime was on the building construction and allocated mainly to the self-managed socialist companies such as PIS. Also, there was unitary rental system with socio-tenure mix and dominance of social rented sector in a balanced proportion of tenures in mainly urban areas (as evident from the research on the local housing system in Split). Informal and individual housing construction was there to meet the housing shortage, but also the growing needs for individual consumerism in the second homes, as well as the small scale economy evident in room renting for tourist. It rested on self-promotion and self-construction in housing and mostly patrimonial tradition in land ownership. Individual housing construction as well as informal housing construction in the communist period was in the domain of grey economy characteristic for Yugoslavia. Although the property function of the housing was developed, its function as the shelter was dominant. Redistribution and benefits universalism and decommodification extended to all classes, equality of high standards welfare for all, no concept of minimum needs. In housing: tenure-neutral subsidy system resulting in the unitary rental system, housing tenure balance, predominance of social rental sector. But inability to meet the housing needs for all opened up the possibility to access individual housing either through formal or informal way.

The lack of the state promotion of various forms of rented and cooperative housing on long term basis and relying solely on the socialist social housing model together with other factors identified (Mandić and Clapham, 1996) have led to the growth in the informal housing construction. However social rental sector leads the rental market.

With the large scale privatization of the social rented housing stock the structural transformation of the housing system happened. The role of informal construction is increasingly important in the post-communist period. The privatisation and restitution of housing, which formed the core of housing reforms in most socialist countries, further emancipated the property function of housing. These reforms created home ownership as a mass tenure and in a short period of time spread housing assets on a massive scale (Mandič, 2010).

In the post-communist period the concept of society changed towards traditional family values and class differential concept of society, building on the grey zones of communist economy – family enterprises and self-employment, with informal labour markets

widening significantly (Zrinščak, 2003; Bežovan, 2008). Redistribution and benefits are similar to corporatist ones as they rely on family welfare, status differentiation and patrimony traditions, but are also similar to liberal as they stress residual benefits and limited areas of de commodification. This is reflected in housing biased tenure subsidy system, dualist rental system with housing tenure polarisation (imbalance) and predominance of owner occupation. State fosters home ownership (as patrimonial concept) and allows housing self-production. State intervention in housing is very limited (stigmatised provision for a residual population unable to adequately participate in markets), non-profit or social sector is protected from the profit sector by being segregated from the private market and organized as residual, stigmatised. Besides the development of informal construction there is the development of an informal housing market (private rental sector and owner-occupation). This interpretation of the local housing system which goes along the same lines as the national, helped in anchoring the research findings in the wider framework and establishing the relevance of the outlined types.

The research was focused on the inhabitants of the informal construction in order to assess the qualitative dimension of each type which was previously only estimated through literature review and interviews with planners. For the first time after the extensive research of Bjelajac from the 1971 there is research directed to the inhabitants, their motivation, perception of the legality, ways of building, and reasons for the construction. All other research was dealing with experts, media analysis, document analysis etc.

The problem which was obvious in the course of the research relates to the possibility to analyse the housing system in the communist period. Great amount of work was needed in order to assess the documents which were collected through the course of several years and to analyse existing research on the informal construction. Only research of Bjelajac is available in the shorter form (without questionnaire, graphical materials etc.). The archive of the Urbanistic institute of Dalmatia The studies of informal construction in the communist period in Split are part of the private archives and they are not evidenced in the formal archive of the URBS.

The thorough analysis of all dimensions of the local housing system in both periods would be much needed complementary insight in the informal construction framework. So far

the research has been conducted on the local welfare systems and this parsimony was used in the analysis of the local housing systems (outlining parameters found out to be critical on the national level on local level).

The use of the questionnaire for analysing the informal housing in the case studies has shown some difficulties. The set of questions related to the legalization process, self-estimation of the informality of the construction and reasons for building informally were highly influenced by the way in which survey was conducted. Although it was stressed out that it is anonymous the respondents gave inconsistent answers and were reluctant to answer in the neighbourhoods of Žnjan and Okrug Gornji. In the neighbourhoods of Duće and Brda the author at first introduced by a family member and then later on sent with an introduction which created a sense of trust from the respondents. They believed that the research was for the purpose of the PhD thesis and really is anonymous. It is important to note that the level of fear and uncertainty was much higher in Žnjan than in any other neighbourhood and initial contact with respondents was extremely difficult.

In the further research it would be beneficiary to explore in depth this subject alone. Maybe building on the current finding to complement the survey with the semi structured in-depth interviews in the form of life history in order to capture the fine nuances of the personal choices and motivations. Again, it could be guided by the typology established because already from the survey it is visible that self-promotion and building on the land where ownership is already settled brings different attitude towards the issues of legality, the higher sense of the entitlement to do so. The situations in which informal inhabitants were buying the apartment with wrong papers – intentionally or not.

The minor contribution of this research is also the model of definition of informal construction zones through GIS analysis on the basis of document analysis and interview with planners. The collection of previously unpublished documents and studies obtained from the private archives and non-existent in the official archive of the Urbanistic institute of Dalmatia on the informal construction (studies on Trogir and Omiš municipalities), could be of interest for the further much needed historiographical researches on the issue. In general, one of the greatest obstacles of this research was the fact that many documents from the urbanistic institute of Dalmatia are lost in the war years due to the privatization process. Just recently the archive has been published (URBS, 2012) and it is available only in the State archive in Split, not digitalized nor complete and very difficult to access.

Initial intention was to have clear statistics on the developers and building companies in both periods on the local level. This has proved to be very difficult task which was not achieved completely. The view on the housing provision in the communist period was drafted from the previously conducted research on the activities of PIS for Split area, mainly works of Vojnović (1976), Kukoč (2010) and Matijević Barčot (2014). From the interviews with planners, managers of the companies from the socialist period a somewhat incomplete overview of the situation in the communist period was drafted as well as changes over time. This seemed detailed enough for the purpose of this research but should be filled in for the future research (with archive analysis of the documents of the companies, municipalities etc.). The information on the post-communist period was entirely based on the interviews with planners and previously conducted research which employed the same instruments (Leburić et al., 2005). Initial analysis of the data from National Bureau of Statistics opened the possibility of an entirely new research – the categories under which companies are registered vary considerably and distinction between companies of developers and construction companies is difficult to access.

For the purpose of this research necessary information on the new role of developer and fragmentation of the construction companies was accessed. The detailed trajectories of the development gains at the onset of the communist period (from the beginning of the 1980s) and at the first two decades of the post-communist period would give interesting and important insights in the issues of property.

Future interesting research could be followed on the gender roles, the changes in welfare provision and the relationship between them and the built environment. The radical shift from the women worker of the communist period, towards the capitalist housewife entrapped in the individual housing construction without communal infrastructure which disables her integration in the work market should be further explored. Even in the operative programmes of European Union (OPKK 2014-2020), the key policy documents between EU and national government, it was stressed that the lack of kindergarten disables integration of the women on the work market. It should be researched whether this is a permanent or a temporary reaction of familistic individualism after a period of socialism, whether it embodies contradictions which could lead to some rediscovery of the value of collective interest. Also, the position of women in the post-communist societies should be contextualised in the overall transformation of welfare system. The

issue of introducing civil society in providing social service by conferring responsibilities on families and women should be analysed in depth together with the change of urban form. Transformation of providing social services based on greater community responsibility implies a refamilialization of the provision of social services, one based on a subsidiarization, feminization and deprofessionalization. Women are forced or kept out of the labour market and they provide welfare services to family or relatives without payment. This was the main path for the privatisation of social services in Central and Eastern Europe (in Pestoff, 2009 quoting works from 1995, 1996). It could be further researched how the individual housing construction was the only public space constructed after the 1990s is the Catholic Church reflects on the gender roles. The public spaces in the zones of informal housing construction from the communist period built equally informal during the 1990s replacing planned kindergartens and schools are catholic churches (in Split there was project of ring of churches erected in all informal settlements). Furthermore, dominant model of urbanization of the post-communist period seems to be the housing construction that lacks communal infrastructure. It could be interesting to explore further the investigative lines of Dina Vaiou (1997) in relation to gender and informal construction, but in the framework of the post-communist transformation entranced with the religion and familiarization of the welfare.

The important field of research could be the relation between informal construction and planning instruments. Starting from the notion of the planning instruments “not just as technical means to predefined ends, but as social undertakings” (Le Gales and Lescumes 2007; Van den Broeck, 2010). This approach builds on the notion that planning instruments as well as the definition of the urban planning are shaped by the societal context from which they emerge and in which they operate (Van den Broeck, 2010, Albrechts et al.) The future research could be directed towards development of spatial planning online support tools based on the volunteered geographic information (KaturiĆ et al., 2013). The tools could act in two directions – to provide information on the status of the legalization processes as described by citizens (volunteered geographic information) and as a platform for open discussion on the socio-economic needs of local communities. It could open questions of the possibility of the collaborative decision-making process on informal construction. It is in this sense that opportunity for promoting planning as an interactive process taking place in social context could be further explored.

The first question concerning the changes that occurred in the housing system in Croatia with the emergence of the change in political and economic system was already systematically dealt with. Main conclusions could be summarized in the change of profit regime in land supply. In the communist period land supply was regulated with nationalization laws for large scale housing project while in the post-communist period it is totally out of reach for the public actors hence in realm of the private developers. This affected the process of informal construction and it is a critical point of difference between the nature of housing tenure and housing provision system in communist and post-communist period.

The second question was concerned with the nature of the informal construction in Croatia/Split before the changes of the political and economic system and the role of informal construction in relation to the housing system. The role of informal construction in this period was partly due to the inability of the state to provide housing to the wider population because it did not develop social market strategy. However, it is also linked with the specific nature of Yugoslavian communism, as explained in Mandič and Clapham (1996), and general acceptance of the so-called grey zones of Yugoslavian communism (Bežovan, 2004b). Therefore, any type of individual construction, whether legal or illegal, had the same status and the same consequences, and it bore a strong resemblance with the Latin-rim cluster (patrimonial tradition in land ownership, role of family in providing housing, the concept of family). This is evident in the informal housing construction where motivation for informal housing was to resolve primary housing issues, but also in the secondary housing or the composite type of housing and working. Therefore, the existence of these types even in the period of socialism shows that hypothesis of informal construction as heterogeneous phenomenon is confirmed.

Third question focused on the changes in the housing during political and economic transition and their influence on the informal construction. The literature review has shown that the post-communist transformation as a radical structural change was reflected primarily in the privatization of socially owned housing in all east European countries, which has produced nations of homeowners and radically directed the nature of housing tenure systems.

In the post-communist period in which dualist rental system was established the new expansion of the informal housing market could be associated with the similar

mechanisms present in the Latin-rim cluster. According to Arbaci the main mechanisms in Southern European countries are „the scarcity, un-affordability and inaccessibility of the formal housing market due to long-term rent control, scarcity of housing provision (both social and private) or scarcity of developable land”. Therefore, in the post-communist period the rise of informal construction can be identified in relation to the privatized socially owned housing stock and related expansion of the owner-occupancy, scarcity of the affordable housing provision and scarcity of developable land.

Research identified the emergence of new ideal type of informal construction – developer led informal construction. The new figure of developer not present in the previous types entered the housing system on a large scale, gaining great profit from the informal housing. Here informal builders are invisible in all interviews and there are buyers that are either victims of the process where direct gain is hidden.

So, while developer led informal construction is the most prominent type of the housing system change the transformation of other types are relevant as well. Since the housing became so inaccessible and hence a crucial asset, the gains and losses of entering in the informal construction became more prominent (people that did not construct informally became the biggest victims of the process). Second example are types which are a source of income – primary secondary housing and composite type of housing and working, as the tourism related income of the local population.

Key component of the housing system (housing provision and housing tenure in the four types) was identified and analysed which has enabled the key starting point in understanding the relation between two periods.

In the socialist period, as evident from informal housing, composite and secondary housing type, the informal construction had the same status and role as Latin-rim. However, in the literature review and interview with planners it is evident that there is another part of the Yugoslav housing system – large scale socialist housing which then placed informal construction in predominantly dual housing tenure system.

In the period of post-communism, a forth type and an invisible hand of developer was identified. But also we have assessed looking at the policy research and literature the great change of tenure – now we have dualist tenure system which places informal construction in the totally different role.

So what this research showed using the ideal types is that the informal construction is embedded in the housing systems in both periods. Ideal types were used in order to surpass the lack of statistical data on the national level and to analyse the local level where it is possible to assess qualitatively this change of the housing system.

The fourth question concerned the model of state intervention in the field of informal construction before and after the political and economic changes. Regarding the legal framework, laws and regulations dealing with informal construction, a similar mode of intervention can be identified. In both periods there are laws on legalization of informal construction as singular *modus operandi*. On the political level they are described as the “clean start” – there will be a legalization and from then on everything should be legal. However, none of the regulations tried to assess the complexity of informal construction types. Also, there is a system hibernation in-between legalization acts. The informal construction is not mentioned in acts between the legalization laws. The third point of similarity are showcase activates, e.g. demolitions of informal houses. For instance, some of the first examples of this are well documented in the work of Bjelajac (1979). In the appendix of his original research there are reports of the sociologists on the singular cases of the informal construction demolition and reactions of the inhabitants. Similar activates are also present in the contemporary period and are well documented through mass media. It can be concluded that model of state intervention towards informal construction has not changed with the transition from socialist to post-socialist period. The main conclusion of this dissertation is that the state intervention in the field of informal housing remained almost the same, although the role of informal housing within housing system and the housing system itself changed dramatically.

In the communist period predominant housing model was state intervention in housing domain, hence recognizing the housing as one of the welfare state pillars. Informal construction and individual construction was the invisible supplement in this system. In the post-communist period housing this wobbly pillar of the welfare state almost completely vanished from the state intervention sphere and informal construction became increasingly important. But even more, the new type of informal construction that introduced the role of developer and development gains led to the more layered understanding of this shift – it has pointed at the developers’ gains as the key point of growing system inequalities. To sum up, the non-existence of the legal framework which

regulates developable land led to the land scarcity while complete and uncritical privatization of the housing stock led to the completely new housing system which does not recognize housing as the part of the welfare state.

And finally, the last question explores whether it is possible on the basis of the attitude towards the informal construction, hence towards the housing as the part of the welfare state, to establish that informal housing serves as the key starting point in understanding housing system inequalities?

This whole research builds on the notion of Arbaci who sporadically mentions that informal construction is an integral part of the housing system. However, this research shifted from her work programmatically in two directions: the first one is to explore in the more qualitative manner the functioning of the system on the local level and second to view only the informal construction as the primary research object embedded in the housing system. One of the main conclusions is that informal construction in Croatia could actually be contextualized in the overall framework of the housing system and not as its anomaly. The ideal types, which are embedded in the wider political and economic systems, and which were identified in Split metropolitan region, show exactly that. The method of this research, unlike in the work of Arbaci who used the large-scale national statistical data, was to conduct survey of informal construction inhabitants and test the idea of informal construction being a part of the housing system.

Based on this research ideal types have been designed and they allow to observe in greater detail the coordinates of the informal housing production (provision, production, consumption). It is through informal construction and its types that the complexity of the system functioning can be understood – the same attitude of the state towards informal construction and drastic alteration of the state intervention in the general domain of housing. The informal construction served as the key starting point in understanding the housing system inequalities – it has pointed towards the role of developer, change of the predominant housing provision model and the new role of housing as the source of income.

Finally, questions that pointed in this direction could lead us to the deeper understanding of the concept of informality, legality and legitimacy.

*This discussion tried to highlight the strengths and weaknesses of the research methodology as well as the possible suggestions on how to deal with it in the future research.*



## CONCLUSION

Informality indicates that the question of to whom things belong can have multiple and contested answers – who are inhabitants of the informal construction, who has built it, who is paying for the infrastructure and public services, what is the role of informal construction in relation to the other components of the housing system? In this research the main goal was to move beyond the apparatus of planning to the analysis of the housing system embodying both the state action towards the housing and planning, but not only the interventions of the state and a state market nexus, but wider social institutions such as family, deficit of stateness and dualistic labour market (Abrahamson, 1992; Kolberg & Uusitalo, 1992). “Blueprint utopias” and the search for the golden age of state-directed planning of communism seem to be predominant discourse in numerous research on informal construction in Southeast Europe, when the things were in order, when the social justice was higher. This is why our analysis of changes induced in the post-communist period evolve around the wealth distribution, access to housing, the role of house in the post-communist society and the shift of the welfare and housing system.

This precisely is the most important insight of this research – the shift from observation on informality as a land use issue towards the idea that informality could become the key entering point into the multiple and often mutually contested answers to the question of property anchoring it in the research on welfare and housing. So, instead of previously asked general questions on the social justice, this study tried to untangle relationship between informal construction and housing system. The link that Arbaci (2007) opened when anchoring informal construction in the housing and respective welfare system of the crucial importance in shifting the informality from the discourse of “unintended consequences, which implies the inability to think about the complex social systems through which plans must be implements” (Roy, 2005). This work with on housing and welfare systems and typology of informal construction represent an attempt to think of it within the complex social systems.

The goal of research was to move beyond the land use towards the questions of distributive justice, while rethinking the object of research for dealing with informality. As explained previously the methodology developed could be used in order to assess the different complexities at work in the diverse local housing systems and the position of informal construction within it. The focus on inhabitants of the informal construction

provides much needed qualitative information on the type of development. This comparative study of local experiences enables a closer understanding of the rationale according to which – with its own mode of development, political and social history, culture, associative or community resources – structures its housing strategies. In other words, this comparative analysis of local situations has the advantage of highlighting the different complexity of the processes at work, and can provide useful insights in the local configurations which result from them.

At the same time, the focus on inhabitants of the informal construction enables the generalizations. First of all, it enables *the construction of ideal types*. The purpose is to provide an initial organizing frameworks within which the relations between key social, economic and political processes could be understood.

Second, it enables moving beyond the notion that the ideal types are static category and making the research design and methodology which could be used in the future research of informal construction. Research of informal construction can use ideal types but they should be complemented by the dynamic research of the diverse components of the local housing systems in which they are embedded. This study designed the dynamic research methodology of the local housing systems looking at the analytical components on the national level (housing provision and housing tenure elements).

This methodology can be useful in analysing the informal construction because the proposed ideal types represent sort of guidelines. However, the basis of the methodology is the analysis of the local housing system by using the designed model with categories of housing provision chain at local level, included in wider context of the system, such as institution of family etc. (Arbaci, 2007; Allen et al., 2004). The methodology suggests the parallel analysis of construction features by using the parameters defined in ideal types, but putting them in the relationship with the real housing system. Hence, the idea is not to start the analysis of the informal construction searching over the territory to identify the ideal types, but to use them as categories revealing the differentiated nature of the informal construction and its position inside diverse welfare and housing systems.

The analysis has revealed the change in the structuring of housing provision at the local level in the communist and post-communist periods. In this sense, the study of informality provides an important lesson on functioning of the housing systems. In spite, therefore, of the general frameworks structuring the housing and welfare systems, there is

unevenness in the production of informal construction even in the same period. This is why this research used proposed analytical framework of the local housing systems to build knowledge of current circumstance, and this is why it has been examined on the example of Split, from the examination of “real” processes in real places. So, at one level this research allows the building of knowledge on the identification of the global tendencies of informal construction, but these only ever “exist” in particular places at particular times.

To conclude accounting for this differentiation of informal construction and it's anchoring in the respective housing and welfare systems demands the application of the appropriate theoretical tools and comparative research methodologies, which we hope to have designed. It could become the methodology to engage with the complexities of informal construction phenomenon in the European cases in general and Southeast Europe cases in particular.

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19. *Registry of resolved requests*, Agency for legalization of the illegally constructed buildings (AZONIZ), [http://www.mgipu.hr/doc/AZONIZ/Upis\\_pravomocnih\\_rjesenja\\_u\\_registar\\_2016\\_godine.pdf](http://www.mgipu.hr/doc/AZONIZ/Upis_pravomocnih_rjesenja_u_registar_2016_godine.pdf) (02.09.2016.)
20. Smjernice za sređivanje stanja u oblasti uređivanja prostora i zemljišne politike, NN 2/85, 1985.

21. *Smjernice za stambenu izgradnju u Solinu i Stobreču* (1978). Split: Enterprise for Construction of Split City, Urbanistic Institute of Dalmatia.
22. *Srednjoročni plan uređenja prostora općine Split 1986.-1990., knjiga 2, Analitičko planska osnova* (1986), Split: Urbanistic Institute of Dalmatia.
23. *Stambena jedinica Brda - Ravne Njive: Detaljni urbanistički plan* (1972). Split: Urbanistic Institute of Dalmatia.
24. Uredba o provođenju Zakona o urbanističkom i regionalnom prostornom planiranju, *NN 41/61*, 1961.
25. Uredba o uređenju i zaštiti zaštićenog obalnog područja mora, *NN 100/04*, 2004.
26. Ustav Republike Hrvatske, *NN 56/90*, 1990.
27. Zaključci o mjerama i aktivnostima za provođenje zakona u oblasti planiranja, uređivanja, korištenja i zaštite prostora i građevinskog zemljišta te sprječavanja uzurpacije poljoprivrednog zemljišta, šuma i šumskog zemljišta, *NN 2/85*, 1985.
28. Zakon o gradnji, *NN 75/99*, 1999.
29. Zakon o gradnji, *NN 175/03*, 2003.
30. Zakon o građevinskom zemljištu, *NN 54/80*, 1980.
31. Zakon o izmjenama i dopunama Zakona o gradnji, *NN 100/04*, 2004.
32. Zakon o izmjenama i dopunama Zakona o prostornom planiranju i uređivanju prostora, *NN 16/86*, 1986.
33. Zakon o izmjenama i dopunama Zakona o prostornom uređenju, *NN 100/04*, 2004.

## Appendix 1

### Questions for Semi-Structured Interviews:

QUESTION	RELEVANCE OF THE QUESTION FOR THE RESEARCH
<p>Information about professional background:</p> <ol style="list-style-type: none"> <li>1. How long you have been working in urban planning field?</li> <li>2. In what year were you born?</li> <li>3. Where were you working in this period? (<i>all positions and organizations through this period</i>)</li> <li>4. How long have you been working in those organizations?</li> <li>5. What is your profession / if retired what was your profession before retiring?</li> <li>6. What is the highest degree or level of school you have completed?  <i>High school graduate - high school diploma or the equivalent</i>  <i>Bachelor's degree (for example: BA, AB, BS)</i>  <i>Master's degree (for example: MA, MS, MEng, MEd, MSW, MBA)</i>  <i>Professional degree (for example: MD, DDS, DVM, LLB, JD)</i>  <i>Doctorate degree (for example: PhD, EdD)</i></li> </ol>	<p>By asking about profession and work position I am going to direct the interview on local or national level and in the different components of the housing systems</p>
<p>Structuring of the housing provision /housing provision chain/ in the</p> <ol style="list-style-type: none"> <li>a) communist period</li> <li>b) post-communist period</li> </ol> <p>On the central state level</p> <p>Production forms</p> <p>Promotion forms</p> <p>Profit regime in land supply <i>consumption/housing tenure/</i></p> <p>On the local level</p> <p>Production forms</p> <p>Promotion forms</p> <p>Profit regime in land supply <i>consumption/housing tenure/</i></p>	<p>With this group of questions I want to find out whether there are some significant differences between national picture described partly in the literature and local context.</p>
<p>Could you explain more in detail position of the individual housing in the relation to the legislative and planning system /their position in the land use plans, the ways to finance and develop the construction, land supply/ in the communist period?</p>	
<p>Structuring of the housing tenure /communist period/</p> <p>on the central state level</p> <p><i>Owner occupation, private rental sector, public rental sector</i></p> <p>On the local level</p> <p><i>Owner occupation, private rental sector, public rental sector</i></p>	<p>What is the access to housing in both periods and what was the role of owner occupation in the communist period?</p> <p>The question here should be directed to three periods already explained in literature.</p>

<p>Could you explain more in detail position of the individual housing in the relation to the legislative and planning system /their position in the land use plans, the ways to finance and develop the construction, land supply/ in the post-communist period?</p>	
<p>Presenting typology discerned in the Split metropolitan area on the basis of documentation analysis</p>	<p>Here I am presenting typology in order to test their relevance and eventually modify them on the basis of these interviews and suggested new data.</p> <p>Also most of the professionals will know the situation just for one typology since local housing systems differ in different parts of the metropolitan area of Split</p>
<p>Which are then main factors in your opinion explaining in different period the growth of informal sector? <i>(if there are more than one, I need to ask them to weight those factors and distribute them in general)</i></p> <p>Specificities of Split regarding the national level (Mandič, Bežovan, Čaldarević)? <i>(and if they explain different)</i></p> <p>The cause for the increase in the amount of informal construction?</p>	<p>Which are the causal factors that produce each typology? (Tourism, patrimonial tradition in land ownership, familialism)</p> <p>What would be the main form of informal building?</p>
<p>What was in your opinion the motivation of informal builder through both periods? Please try to outline basic characteristics thorough decades. <i>Migrations for economic reasons / permanent residents</i> <i>Migrations for secondary housing / part time residents</i> <i>Patrimonial tradition in land ownership</i> <i>Deregulation induced by fast and radical institutional changes</i></p> <p>1970's and before 1980's 1990's 2000's 2010's</p>	
<p>In your opinion what are the main reasons for informal construction in both periods?</p> <p>What is the role of family in providing housing through both periods? How they help their children and how they were helped?</p> <p>What is the role of this provision by the state in promoting informal housing? How do they believe are the causal factors of the informal housing, at the core of what I need to know? In both periods?</p>	<p>Here I would try to connect the role of cultural institutions in both periods</p>



7. How many people live in your household? \_\_\_\_\_
8. Who lived in this housing unit immediately after construction?
- a. Just me
  - b. My parents with children
  - c. Me and my family (spouse and children)
  - d. Me and my extended family (spouse, children and parents)
  - e. Me and my siblings (spouse, children, parents, siblings and their families)
  - f. Other: \_\_\_\_\_
9. How many members of your family live there now?
- a. Just me
  - b. Me and my family (spouse and children)
  - c. Me and my extended family (spouse, children and parents)
  - d. Me and my siblings (spouse, children, parents, siblings and their families)
  - e. Other: \_\_\_\_\_

*Information about housing unit:*

10. Please define the type of the object where you live:
- f. Single family house with one family and one household
  - g. Family house with one family and several households \_\_\_\_ (number of households)
  - h. Multi-storey building with one family and several household \_\_\_\_ (number of households)
  - i. Multi-storey building with different families \_\_\_\_ (number of households)
11. When was this unit constructed? In case of more than one expansions please provide the year of construction and short description of the expansion.
- a. Original unit \_\_\_\_\_
  - b. Expansion(s) \_\_\_\_\_  
\_\_\_\_\_

12. Is this housing unit your only residence?
  - a. Yes (proceed to the question 15)
  - b. No
  
13. When do you use it this housing unit? Please note all applicable answers.
  - a. From January to April
  - b. From April to June
  - c. From June to October
  - d. From October to January
  
14. Where is your second home situated?
  - a. In the same city
  - b. Elsewhere in this municipality
  - c. Elsewhere in this county
  - d. Elsewhere in Croatia
  - e. Outside Croatia
  
15. When the construction of first houses in your neighbourhood began?
  - a. In 1950s
  - b. In 1960s
  - c. In 1970s
  - d. In 1980s
  - e. In 1990s
  - f. In 2000s
  - g. other: \_\_\_\_\_
  
16. What was the period of the greatest expansion in your neighbourhood?
  - a. In 1950s
  - b. In 1960s
  - c. In 1970s
  - d. In 1980s
  - e. In 1990s

- f. In 2000s
- g. Other: \_\_\_\_\_

17. What was the initial purpose of this housing unit?

- a. Permanent residence (throughout whole year)
- b. Secondary housing (for the part of the year)
- c. Renting to the tourists
- d. Multi-storey building with apartments for sale
- e. Other: \_\_\_\_\_

18. Are you the owner of the land?

- a. Yes, I am the owner of the land
- b. No, I do not own it but I have it on leasing since the socialism
- c. I am still in dispute over the ownership
- d. Other: \_\_\_\_\_

19. If you are the owner of the land, how did you become the owner?

- a. I have bought it from the private owner
- b. Yes, I have inherited it
- c. Yes, I have got it from the municipality/state
- d. Yes, I got it from the organization I worked for
- e. Other: \_\_\_\_\_

20. Have you or members of your family built this housing unit?

- a. Yes, I did it myself
- b. Yes, my parents did it
- c. Yes, my extended family did it
- d. No, professionals did it for me
- e. Other: \_\_\_\_\_

21. Which parts of this housing unit you did yourself?
- a. Foundations
  - b. Walls
  - c. Roofs
  - d. Interior design
  - e. All of the above
  - f. Other: \_\_\_\_\_
22. Did you have the architectural project when you were building this housing unit?
- a. No
  - b. Yes: \_\_\_\_\_
23. Does your house have the following infrastructure?
- a. Sewage system
  - b. Drainage system
  - c. Septic tank
  - d. Other: \_\_\_\_\_
24. Did you receive any incentives?
- a. No
  - b. Yes, credits by \_\_\_\_\_ (name of the company) in \_\_\_\_\_ (year)
  - c. Yes, state directed supports in \_\_\_\_\_ (year)
  - d. Yes, tourism related incentives by \_\_\_\_\_ in \_\_\_\_\_ (year)
25. Did you have the building permit when you constructed this housing unit?
- a. Yes
  - b. No
  - c. I had it for part of the building
  - d. Other: \_\_\_\_\_

26. What type of permits do you have? Circle all that apply.
- a. Location permit
  - b. Building permit
  - c. New legalization act application
  - d. Legalization confirmation
  - e. Other: \_\_\_\_\_
27. Are you involved in the legalization process?
- a. Yes (you do not need to answer on the questions after 31)
  - b. No (proceed to the question 32)
  - c. No because everything was built legally (proceed to the question 34)
28. How it comes that you did not enter in the previous legalization processes?
- \_\_\_\_\_
29. What changes do you expect after the legalization process for this object is complete?
- \_\_\_\_\_
30. Why did you build informally in the first place?
- \_\_\_\_\_
31. Do you feel that new legalization act will bring some substantial change?
- a. Yes
  - b. No
- Why? Please explain briefly. \_\_\_\_\_
32. Why did you decided to enter the legalization process for your building?
- \_\_\_\_\_
33. Why did you build informally in the first place?
- \_\_\_\_\_

34. Do you think it is unsafe not to legalize the object?

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35. Do you feel that new legalization act will bring some substantial change?

c. Yes

d. No

Why? Please explain briefly. \_\_\_\_\_

## Appendix 3

The list of the analysed documents:

<b>Documents from the communist period</b>	
<b>Name of document</b>	<b>Year of development</b>
Spatial plans of Split Municipality	1979 - 1990
Spatial plans of Omiš Municipality	1979 - 1990
Spatial plans of Trogir Municipality	1979 - 1990
Study on the legalization of informally constructed objects in Split	1979
Legalization report for the Omiš Municipality	1987
Legalization report for the Trogir Municipality	1987
Legalization report for the Split Municipality	1987
<b>Documents from the post-communist period</b>	
Spatial plan of City of Split	1990-2014
General Urbanistic Plan for City of Split	1990-2014
Spatial plan of the Okrug Municipality	1990-2014
Spatial plan of the City of Trogir	1990-2014
Urban management plan for the Trogir	1990-2014
Spatial plan of the City of Omiš	1990-2014