

TOURIST SPACES AND TOURISM POLICY IN SPAIN AND PORTUGAL

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ABSTRACT

This study analyses the relationship between the development of the tourism policy of Spain and Portugal and their effects on regional imbalances. Despite the proximity of the two countries and their specialisation in tourism, there are few comparative studies on tourism of the two Iberian countries. The study focuses on the two major phases of tourism policy: the period of mass tourism and post-Fordist stage. In the conclusions we refer the debate on the existence of a model of development based on tourism to the Latin countries of Southern Europe and we note the export process of the Spanish low-cost tourism model to other countries.

Keywords: Spain, Portugal, tourism, policy, spaces

INTRODUCTION

Tourism has contributed enormously to the economic growth of Spain and Portugal. Usually, the economic benefits generated by tourism have been highlighted more than the negative impacts on society, environment and territory. The benefits that economists usually emphasise are income, improvement in the trade balance, the use of tourism as a driver of infrastructure development, and job creation (Antón & Reverté, 2007). Among the problems that tourism can produce, one of the least studied is regional imbalance (Vera, 2011, p. 235) and this is one of the central themes of this study.

Regional imbalances are closely related to the territorial nature of tourism. We cannot forget that tourism is a spatial phenomenon that generates different economic activities in the territory (Vera, 1997, p. 60). The territorial aspect of tourism has been relegated to a lower priority because of the preeminence of the economic analysis of tourism. Any way, we should not forget the importance of economic factors in the development of tourism and the generation of regional imbalances. The location of tourism is directly related to inequality, as each area has different tourist resources and the basis for development of mass tourism is the concentration of supply and demand. Tourism resources are not distributed equitably, so tourism tends to create territorial imbalances (Almeida, 2013).

This study analyses the relationships between tourism policy, tourism hotel supply and regional imbalances in Spain and Portugal. There are few comparative studies of tourism policy and territorial processes in Spain and Portugal. Research into tourism policy has generally focused on specific countries, analysing the subject as a branch of national policy

and approaching the task in large, regional blocks (Lickorish, 1991). To date, there has been relatively little analysis contrasting the tourism policies of different countries, though several interesting studies have been carried out in Europe (Swarbrooke, 1993). Spain and Portugal, however, have rarely been compared, despite their geographical proximity and the existence of socioeconomic processes that are common to both. Most of the currently available references to these countries are to be found either in studies dealing with tourism in Europe in general, Southern Europe or the Mediterranean area (Akehurst, Bland, & Kevin, 1993; Apostolopoulos, et al., 2001), or in a series of publications compiled by international organisations such as the OECD and the WTO. Worthy of special mention are the analyses of tourism policy in Spain and Portugal undertaken by Williams and Shaw (1998) and Williams (1993), which assess the role played by tourism in both national economic development and regional imbalance, although none of these deals specifically with the two countries alone.

Localization



An examination of Spain and Portugal's shared history reveals parallel development as far as tourism policies and models are concerned, although the tourism processes in the two countries also display certain differences owing to their differing socioeconomic development. The evolution of tourism policy since the mid-twentieth century can be divided into two main stages:

(1) The Fordian phase. This period was characterised by the emergence of mass tourism due to improved transport and paid holidays for the working class. Mass tourism was the end of elite tourism and the strengthening of tourism as a global phenomenon. Fordian tourism needs to standardise supply and demand to reduce production costs. These facts had a singular importance in shaping supply in destination countries such as Spain and Portugal. In this way the high concentration of the supply of accommodation is explained.

The first phase, between 1950 and 1975, brought a series of important developments. The Iberian nations now understood that tourism held the key to economic growth. Indeed, several authors maintain that this period saw the introduction of a uniquely Latin model of development which was heavily reliant on tourism (Bote, 1998). This phase also marked the first major divergence between the two countries in terms of tourism policy: whereas the Spanish government committed itself fully to mass tourism as a means of maximising revenue and investment (Cals, 1974), the Portuguese opted instead to maintain a more gradual rate of tourist growth (Cunha, 2009). In fact, mass tourism was the dominant theme during this period, and tourism-based development is the facet of tourism most frequently studied by both Spanish and Portuguese authors (Cals, 1974; Cunha, 2009; Esteve & Fuentes, 1999; Martins, 1997). In this period the concentration of the hotels in certain areas of the Spanish Mediterranean coast and the Lisbon region is favoured. The high concentration is related to the maximisation of investment in tourism and a clear policy of *laissez-faire*.

(2) The post-Fordian phase. This period was characterised by the emergence of processes of production and the marketing of tourism. Governments get involved less in the tourism sector; we observe a lower interest in the development of tourism policies (e.g. social tourism practically disappears) and regulation and use of tourism is left to the market. New forms of production are based on flexibility, deregulation and public-private collaboration. Likewise, a strong diffusion of the tourism phenomenon is observed globally.

During the second phase, Spanish and Portuguese society began to act in unison. The dictatorships in both countries ended in successive years (1974/75), they joined the European Union (1986), adopted the Euro (2001), and experienced similar economic ups and downs. However, their respective administrative structures and tourism planning procedures took vastly different paths. While Spain's heavily-centralised policy was replaced by a decentralised system overseen by its Autonomous Communities and the tourist towns themselves, in Portugal, the exact opposite now occurred. This chapter examines the effectiveness of tourism policies in terms of generating revenue and adapting to the changes in the sector introduced by the post-Fordian model of management based on competitiveness, quality and sustainability (Fayos-Solá, 1996). Regional policy, the restructuring of the tourism sector, and the social and environmental impact of tourism are the aspects most commonly identified by authors as the main consequences of the protracted growth of tourism in Spain and Portugal.

This chapter provides a comparative analysis of tourism policy and its spatial effects in Spain and Portugal. This study aims to compare the evolution of tourism policies of the two countries since 1960. It also analyses the territorial imbalances caused by tourism in Spain and Portugal.

EVOLUTION OF TOURISM POLICY

The growth of tourist activity in Europe as a whole during the decade of 1950s led to a keener interest in tourism on the part of the Portuguese government, which took steps towards its development: (i) financial measures such as the Tourism Fund (1956) were introduced along with others of a fiscal nature, including the 1954 Public Utility Law, which offered tax exemption for investors in hotel infrastructure; (ii) in 1956, the Tourism Law was passed. The Tourism Regions exercised greater influence over tourism management and enjoyed financial independence thanks to the introduction of a local tourism tax. Though eminently regional, this policy failed to bring territorial diversity, and tourism was largely confined to the Lisbon area until the mid-1970s, when the Algarve emerged as a popular destination for foreign tourists. In 1963, for example, 30% of Portugal's hotels were located in the Portuguese capital and 41% in the surrounding region (Table 1). Beyond this established enclave, a lack of hotel facilities and the poor state of the country's roads made it impossible for tourism to take root (Cunha, 2009). Nevertheless, Portugal played host to 232,261 visitors in 1956.

The 1960s and 1970s saw moderate growth in tourism demand and supply in comparison with Spain (Table 1). The main consequences of tourism in Portugal were: (i) the creation of an unbalanced territorial model (Map 1) which had a significant impact on the environment; (ii) the reduction of the country's balance of trade deficit (Cunha, 2003, p. 19; Martins, 2007, pp. 203-206), with revenue from tourism accounting for as much as 93.5% of the coverage rate during this period (Cunha, 2003, p. 20). The repercussions of tourism in Spain were similar, though more marked than in Portugal. Portugal's tourism strategy differed greatly from Spain's during this period in which Spanish tourism definitively took off. Portuguese tourism growth was slower than for Spain, since initially the government continued giving support to elite tourism and tourism was not considered as a strategic sector for the Portuguese economy.

Spain, meanwhile, would have to wait until the mid-1950s for an upturn in foreign tourism after the decline brought about by the Spanish Civil War (1936-39) and the post-war period that followed (Fig. 1). The 1950s saw several measures taken to encourage tourism: (i) in 1951, the Ministry of Tourism and Information was created, lasting until 1977, and in 1952, the National Tourism Plan was introduced; (ii) the same decade marked the beginning of a process of economic liberalisation and adjustment that culminated in the Economic Stability Plan (1959).



Source: INE (National Institute of Statistics) Spain and Portugal.
 Note: Methodological change en 2004 (Portugal)

Fig.1. Visitors and tourists in Spain and Portugal.

Spain remained fully committed to the development of tourism during the 1960s. Certain internal and external factors ensured that the country could hardly do otherwise (Esteve & Fuentes, 2000), though it did exercise choice over the degree to which the process should be pursued, opting for maximum intensity. As in Portugal and other Southern European countries, the model adopted was based on indicative planning designed to generate development and manage foreign investment. Objectives were centralised via the Development Plans, which focused progressively more closely on tourism, though viewing it more as a means of balancing payments than as a strategic economic sector in its own right. Between 1961 and 1969, the revenue generated by tourism covered 72% of Spain's balance of trade deficit (Vallejo, 2002).

Certain authors contend that the key role played by tourism in the growth of Italy, Spain and Portugal points to a peculiarly Latin model of development based on mass tourism (Bote, 1998; Vallejo, 2002; Martins, 2007). The considerable revenue generated by tourism (and also by emigration) underpinned both the industrialisation processes and the development plans pursued by said nations. These countries also provide the earliest instance of mass tourism playing a key role in socioeconomic development, the relationship between the two being particularly marked in Spain. Development based on tourism would subsequently be attempted by other Mediterranean and Caribbean countries, with mixed results in accordance with their differing socioeconomic climates (Blázquez & Cañada, 2011; Williams & Shaw, 1988). Several authors highlight the importance of the context (economic, social, political, geographical and technological) in which development takes place in determining its ultimate success or failure in a particular country (Pearce, 1991). The fact that Europe provided the backdrop for the Latin model was probably a key factor in the positive socioeconomic development achieved by the aforementioned countries.

Table 1. Hotel places by region and major tourist destination (%)

% of Total Hotel Places	1963	1973	1983	1993	2007	2012
Lisbon Region	41.9	39.4	32.3	24.5	22.4	18.9
Algarve	5.0	19.1	33.8	39.9	24.4	35.9
Madeira Islands	3.3	14.2	10.3	8.5	12.2	9.7
<i>Rest of Portugal</i>	49.8	27.3	23.6	27.1	41.0	35.5
Alicante	3.8	5.9	5.9	4.9	4.9	4.7
Balearic Islands	17.8	30.9	27.2	25.6	14.3	13.1
Barcelona	13.4	8.6	7.5	7.5	6.7	8.2
Canary Islands	5.4	6.8	8.4	8.4	14.9	15.7
Gerona	17.4	10.2	8.8	7.5	4.1	3.8
Madrid	12.6	6.3	5.8	5.1	6.8	7.3
Malaga	4.9	4.8	5.7	5.3	6.0	5.5
Valencia	2.4	1.4	1.6	1.5	2.6	2.5
Rest of Spain	24.7	26.5	30.7	35.7	42.3	39.2
Spanish Mediterranean ^a	59.6	61.7	56.7	52.3	38.6	37.8

Source: INE (National Institute of Statistics, Spain and Portugal), Ministry of Information and Tourism of Spain (1951-77).

^a Provinces of Alicante, Barcelona, Gerona, Malaga and Valencia, and the Balearic Islands.

The years between 1950 and 1975 were a period of significant growth for tourism in both countries, though the firm commitment to tourism made by the Spanish government, which offered every possible incentive to private enterprise, ensured that its development in Spain was truly spectacular. However, this in turn had a profound effect upon the environment in the latter country, with coastal areas of immense natural value becoming built up, and part of the nation's historical heritage being replaced in certain cases by characterless constructions. All of this was done in the name of removing any conceivable barriers to private sector investment and increasing the number of tourists. In 1966, the country's most heavily-developed coastlines were in the Balearics (5,000 hectares), Gerona (3,000 hectares) and Malaga (2,500 hectares), followed by Barcelona, Tarragona and Alicante with approximately 1,500 hectares. Between 1950 and 1975, an estimated 90,000 hectares of Spain's total surface area were built on in order to cater for tourism (Casanova, 1970, p. 70). These figures, the source of much concern at the time, were subsequently dwarfed by the immense development project undertaken in Spain over the following decades, a process which also took place in Portugal, though on a smaller scale. A further territorial consequence was the enormous imbalance in the distribution of tourism facilities, which were concentrated on Spain's Mediterranean coast (61.7%) and in Portugal's Algarve (19.1%) (Table 1 and Map 1).

During the post-Fordist phase, between 1980 and 1990, tourism demand rose by 46.6% and hotel accommodation by 14.1% against a backdrop of economic development accelerated by Spain's admission to the EEC. In order to limit the severe impact that tourism had been having upon the environment for several decades, a series of new laws were now introduced. Of particular note were the Coastal Law (1988), which enabled certain public domain areas along Spain's coastline to be recovered, and the Conservation of Natural Spaces Law (1989). Although these legal changes initially relieved the pressure on coastal areas, the economic crisis of 1992 dealt a crucial blow. The protective measures taken were powerless to prevent the real estate bubble between 1997 and 2007. Between 1987 and 2006, 74,417 hectares of

the Spanish coast were built on at a rate of 2,884 ha/year from 1987 to 2000 and 6,154 ha/year from 2000 to 2006 (Observatorio de Sostenibilidad de España, 2010, pp. 417-420).

At the beginning of the decade of the 1990s, Spain was confronted with economic crisis. This time, tourism suffered the consequences directly. The traditional Fordist tourism model had finally been exhausted (Vera, 1994). The sector had enjoyed decades of growth, but was now unable to compete with the new destinations springing up throughout the world. 1992 saw a sharp decline in both the number of foreign tourists coming to Spain and average receipts per visitor. Between 1995 and 2000, the growth of hotel facilities was tempered, and the sector underwent a major overhaul involving the closure of less profitable hotels and a change in their categorisation. The combination of the slump in tourism, the environmental problems that it has created and the new administrative order in the 1980s-1990s, in which the lion's share of power now lay in the hands of the autonomous communities, forced the national Government to develop a specific programme of restructuring and boosting the tourism sector: Excellence and Stimulation Plans (*Planes de Excelencia y Dinamización Turística*), besides tourism quality plans, tax incentives, etc.

These plans helped the implementation of the new post-Fordist production processes, and from the territorial point of view those plans caused a significant spread of tourism to new areas (Brunet et al., 2005). The latter was due to depletion of coastal land and the strong momentum of the interior areas that are supported by endogenous development policies (Map 3).

The political transition in Portugal was accompanied by severe social, economic and political instability, which had far-reaching implications for the tourism sector. The remarkable recovery that took place from 1975 onwards owed more to the progressive normalisation of the political situation than to an increase in activity. In 1986, the introduction of dedicated planning in the shape of the National Tourism Plan signalled a change in tourism policy. The aim of this global plan was to ensure that tourism played a key role in the country's economic development (Martins, 2007, p. 129). Its objectives included the reduction of territorial imbalance, the promotion of training, the protection of the country's natural and cultural heritage, and the development of cultural tourism. By the beginning of the 1990s, tourism supply and demand in Portugal had grown significantly thanks to the country's consolidation as a medium-sized power in the sector (an increase of 60.7% in the number of tourists between 1985 and 1990, and a rise of 31.0% in accommodation facilities between 1990 and 1995).

REGIONAL IMPLICATIONS

The trend of tourism to cause regional imbalances was not prevented by the pre-democratic governments of Spain and Portugal. In the 1960s the supply of hotel accommodation was highly concentrated in the regions of Lisbon (Portugal) and Spanish Mediterranean provinces (Gerona, Barcelona, Baleares and Malaga) (Map 1). This scenario changed in the following decades. In the 1980s and 1990s there had been a spread of tourism accommodation to formerly non-tourist areas. This process was due to the need to diversify the tourism sector, the lack of competitiveness in some saturated coastal areas and the interest of local and

regional governments to development the inland regions, and real estate sector needs that demanded new areas for the building of second homes.

We can confirm there has been a very strong concentration of hotels on the Spanish Mediterranean coastline, Balearic Islands, Canary Islands and Madeira in 2009. Almost the whole coastline of the Iberian Peninsula has become a tourist belt; this excludes small coastal stretches (coastal Alentejo in Portugal and the Spanish province of Lugo in northern Spain). The islands have a strong tourist density (Map 3).

Before the great development of mass tourism in Portugal and Spain between 1950 and 1960, tourist accommodation supply was quite low and was relatively equally distributed across the country. The varying range of accommodation depends on the size of the demographic area. At the time of great tourism growth in the mid-1960s (mostly in Spain), the supply of tourist accommodation is concentrated on the Mediterranean coast (Balearic, Gerona, Barcelona, Alicante and Malaga).

The huge growth of the Algarve came later. In the 1980s there was a strong focus on the Spanish Mediterranean coast in both Spain and the archipelagos (Balearic and Canary Islands). In Portugal, the areas with the highest tourism concentration were Lisbon, the Algarve and Madeira.

From 1990, there was a diffusion of tourism to inland areas of Spain and Portugal and this process was extended to the last undisturbed coastal areas of the Atlantic and the Mediterranean. The process is related to the development of new tourism products such as rural and cultural tourism, eco-tourism, etc. These new tourism products are connected with tourist destination improvement plans (Map 2).

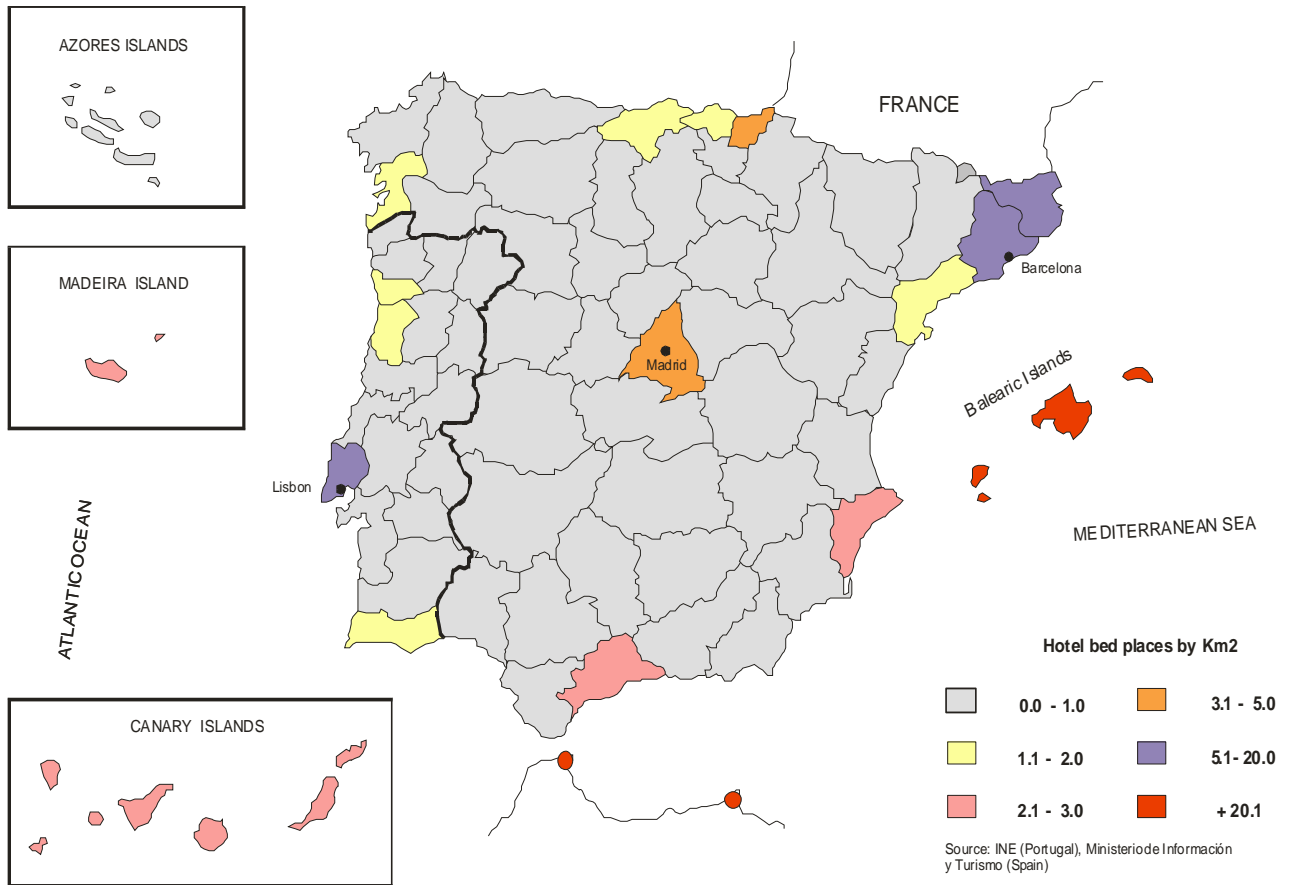
In 2009 we see the consolidation of large tourist axes along the entire coastal area of Spain and Portugal and the major islands of Spain and Portugal (Map 3).

In summary, the distribution of tourism in the two countries was unbalanced, which helped the most developed regions. The tourist sector was encouraged to finance the national development of the industrial sectors.

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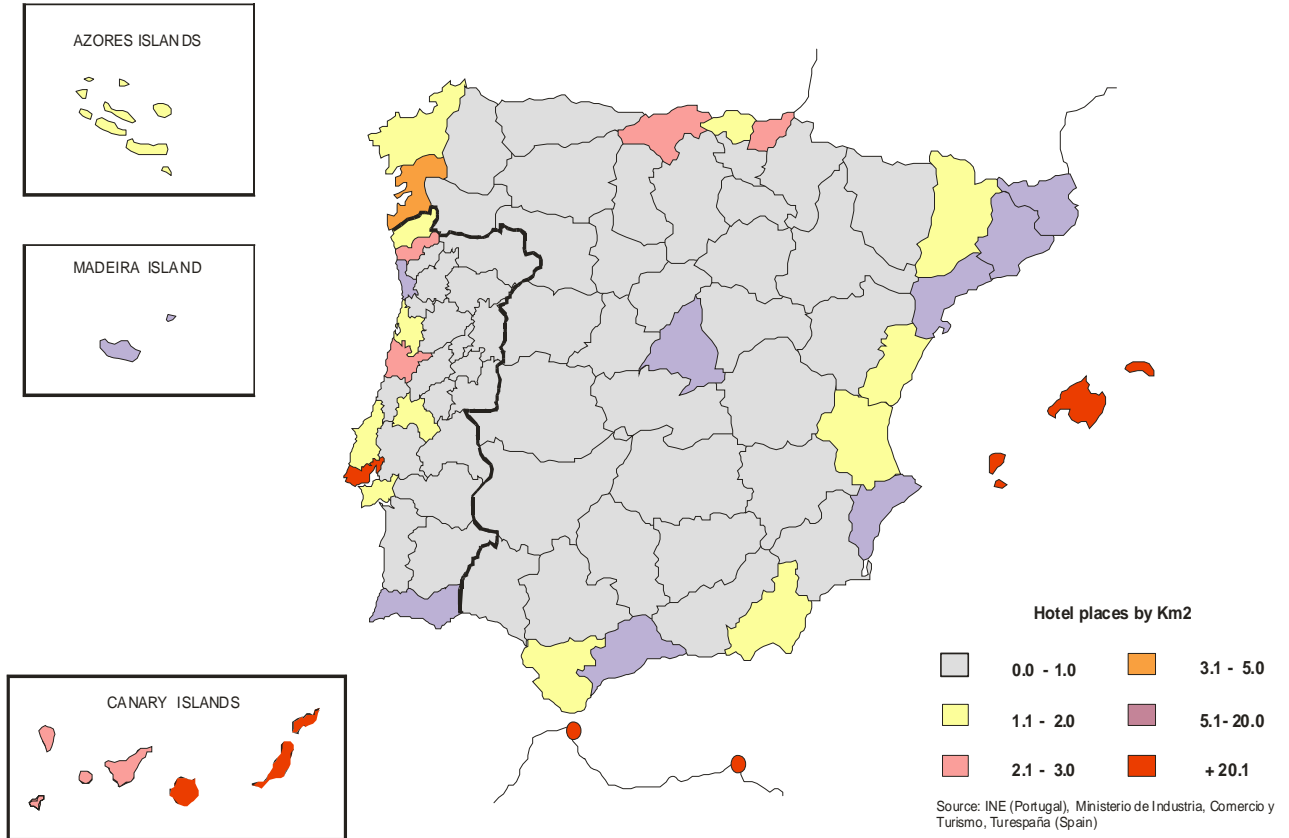
Map1

DENSITY OF HOTEL PLACES. PROVINCES (SPAIN) AND DISTRICTS (PORTUGAL). 1968



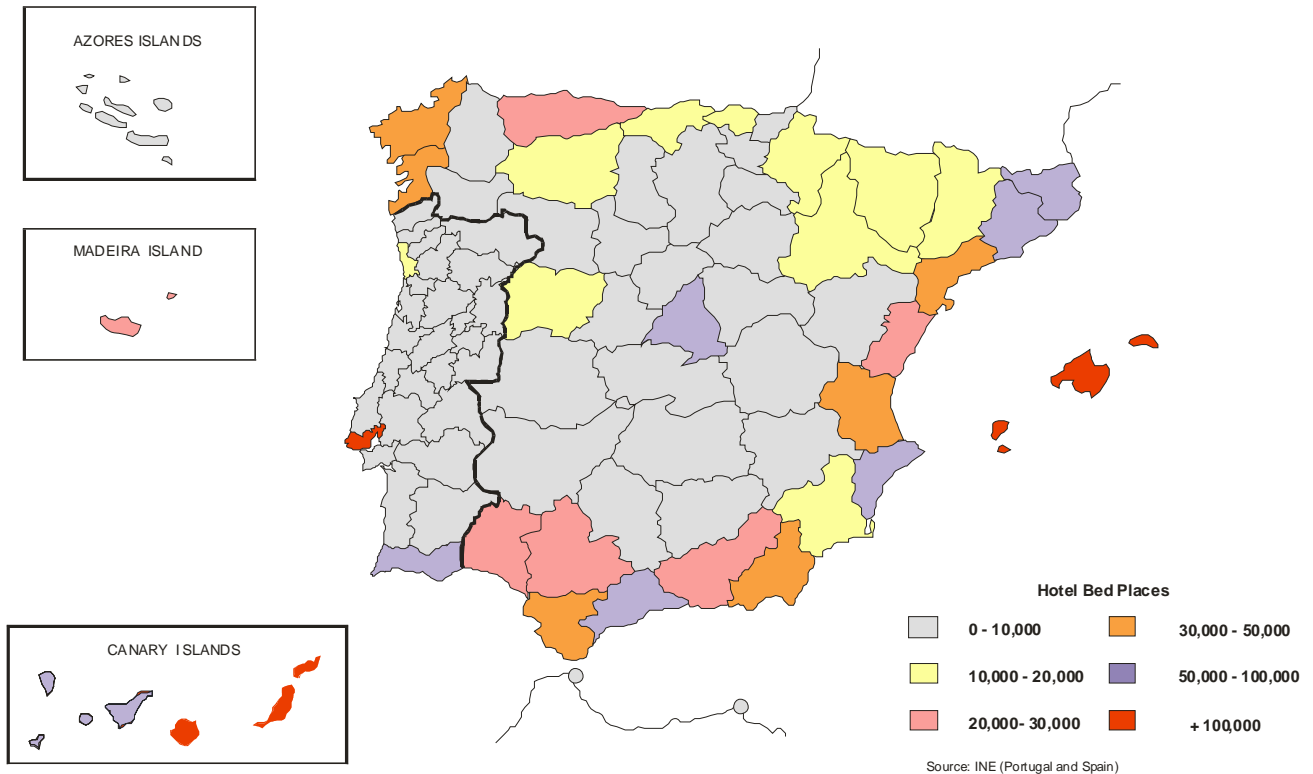
Map2

DENSITY OF HOTEL PLACES. PROVINCES (SPAIN) AND NUTS III (PORTUGAL). 1990.



Map 3

HOTEL PLACES. PROVINCES (SPAIN) AND NUTS III (PORTUGAL). 2009.



CONCLUSIONS

Spain's seaside tourism sector has grown with great intensity in recent years and has exported its model of mass tourism to other countries, mainly to the Caribbean Sea (Blázquez & Cañada, 2011). It has generated economies of scale sufficient to keep its production costs low. The internationalisation of the country's hotel chains, notably in the Balearic Islands, represents an exportation of this continuous process of growth and the search for low costs (Ramón, 2000). In these Caribbean countries, it has been also repeated processes of territorial imbalance, than it follows that there is a close relationship between mass tourism and regional imbalances. However, the Spanish tourism sector has also diversified, with cultural and culinary tourism among the alternatives now joining sun and sand vacations. Portugal, meanwhile, has turned its back on luxury tourism and is now belatedly exploiting the sun and sand market instead, though strenuous efforts have also been made to develop cultural and nature tourism. The Portuguese tourism sector has yet to reach full maturity.

Certain authors highlight the existence of a Latin model of development based on tourism. While the characteristics of this pattern are not radically different from those of subsequent methodologies implemented in tourist-receiving countries, its significance lies in the fact that this model was the first of the mass tourism era, a period which would ultimately transform the nations concerned into developed countries. In the Latin model, the role of the tourism sector was to provide resources (tourist revenue) that could be invested in industry. Spain's case is unique in that the early days of tourism saw the country open up to and rely upon foreign countries in much the same way as the small tourist nations of the Caribbean, the Indian Ocean and Oceania would do years later. In spite of this, the situation in Spain evolved towards greater independence, with Spanish hotel chains even replicating this model of economic Dependence in the Caribbean.

In territorial terms, the post-Fordist stage manifested in Spain by increasing hotel supply in the coastal areas of the Mediterranean and Atlantic sea, in addition to dissemination to inland mountainous areas (the Pyrenees and Cantabrian Mountains). In the Post-Fordian phase there has been a strong transformation of most of the Spanish territory caused by tourism. In Portugal, supply has remained concentrated around Lisbon and the Algarve, and to a lesser extent in Porto and Madeira Island (Map 3). Post-Fordian phase has meant a transformation of most of the Spanish territory. The tourism industry is constantly looking for the creation and exploitation of new tourist spaces.

Finally, it should be noted that the tourism sector now combines Fordist and post-Fordist processes in the territory and in the tourism market. Tourism seeks to introduce Fordist low cost measures in new areas and applying post-Fordist in mature destinations.

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