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## **ARTICLES**

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## TOURISM POLICY IN SPAIN AND PORTUGAL

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This paper aims to compare changes in the tourism policies of Spain and Portugal and to analyse the process of establishing tourism policies by these countries' governments. This study highlights parallels in the developing tourism sector in both countries. It examines the significant involvement of public and private actors and the importance of tourism as much more than an economic sector. In Spain and Portugal, tourism reflects the image of the country.

This shared history demonstrates the parallels in Spain and Portugal's development of their tourism policies and models without neglecting the differences in this development. The analysis of the evolution of these countries' tourism policies can be divided into four main stages:

1. Tourism and tourism policy originated in the nineteenth century, when Spain and Portugal began to be included in the voyages of the English aristocracy throughout Europe. Another factor in tourism is the extensive development of spa activity, leading to a large number of spas in these countries (such as Gerês, Caldas da Rainha, and Panticosa Cestona). In the last third of the century, seaside resorts gave way to fresh water spas (such as San Sebastian). The beach gained considerable value in the late nineteenth century, leading to the importance of coastal areas in the twentieth century.

2. The second phase between 1900 and 1950 saw the birth and development of the first administrative structure and tourism policy. In the early twentieth century, tourism entrepreneurs created the first associations for the promotion of tourism. The starting point for modern tourism in Spain and Portugal was 1911. The governments of both countries created the first administrative structures for tourism: the Royal Commission for Tourism and Culture Arts in Spain and the Secretariat of Propaganda and Tourism Department in Portugal.

In the Spanish case, the Royal Commission was devoted to raising awareness of the Spanish heritage, the country, and improvements to tourist accommodations. The Commission was closely related to the Marquis of Vega-Inclan, an aristocrat who was deeply concerned about the Spanish historical and artistic heritage. Among his notable successes was the opening in 1910 of the first Spanish museum focused on tourism, the House of El Greco in Toledo, and the initial design for the Paradores (the state hotel network). The agency also played an important role in the informative propaganda policy of the Spanish state.

The Royal Commission remained until 1928, when it was changed to the National Tourism Board. The Board was responsible for organising international exhibitions in Seville and Barcelona and had a closer relationship with the managers of the tourism sector. The Board emphasised the promotion of tourism by opening numerous tourist offices abroad and at home and expanding hotel facilities (especially the Paradores network). The first Parador was opened in 1928 in the Gredos Mountains. This style of accommodation inspired the public hotel chain Pousadas de Portugal.

The general objectives of the Tourism Department of the Portuguese government were very similar to those of the Royal Commission of Spain, including foreign exchange earnings, the protection of cultural heritage and the international promotion of the country, especially Madeira and Lisbon. Specific activities were limited due to budget constraints. The Tourist Department was concerned about the country's image abroad. The most interesting tourist development in the 1930s was the consolidation of Estoril as a tourist destination. To improve the zone, the government constructed a railway line and built a luxury hotel and a casino.

3. There was no clear recovery in international tourist arrivals to Spain and Portugal until the early 1950s. The Spanish Civil War, World War II and the post-war period (1936-1950) positively affected tourism through improved air transport and paid holidays for workers. The revolution in air travel meant that the peripheral position of the Iberian Peninsula in relation to the large tourist countries was not a problem. In the 1960s, Portugal, and especially Spain, became major destinations for mass tourism.

In the early 1950s, the Portuguese government adopted various financial incentives to attract investment in tourism. Tourist offerings were concentrated around Lisbon. The balance of the decade was not positive due to the shortage of tourist accommodations and the poor state of the roads. Faro International Airport was not built until 1965, which delayed the growth of tourism in the Algarve. As the 1960s advanced, there was an increase in international tourist arrivals, a situation that ended abruptly in 1974 with the «Carnation Revolution». As in other Mediterranean countries, tourism was integrated into economic planning to achieve the highest possible revenues. In general, tourism grew at a slower pace in Portugal than in Spain, in part because the government considered tourism a temporary activity rather than a tool for development.

In contrast, the Spanish government opted for a determined approach to tourism for diverse reasons (for example, to improve Spain's external image and to obtain foreign revenue). In the 1960s, Spain became one of the major tourist countries in the world. Tourism was included within the national development plan and was almost exclusively intended to generate income to invest in «productive sectors», especially industry. Economic incentives were implemented to attract international investment: the range of accommodations was expanded, airports were built, and roads were improved. In the mid-1970s, Spain was the main holiday destination in the Mediterranean, at the expense of a significant environmental impact.

4. The two Iberian countries suffered a severe economic crisis in the mid 1970s, and together they became democracies (1974-75). Their social and economic transformation led to their entry into the EEC in 1986 and the use of Euro currency in 2000.

After the crisis of the 1970s, Spain changed its course on tourism management. The new constitution, adopted in 1978, supported the State's Autonomous Communities in assuming significant power in tourism. However, the State was slow to fulfil the limited role in tourism it had been assigned by the Constitution. The state retained the role of promotion abroad and maintained the state's management of the Paradores of Spain. Overall, national tourism has been administered by coordinating bodies.

One of the most significant areas in Spanish tourism planning and policy making has been the measures implemented to manage the economic crisis of the 1990s that destroyed the tourism sector. To address this situation, specific restructuring plans were created – the Master Competitiveness Plan for Spanish Tourism (Futures I). These plans were modelled on the restructuring plans of European industries that were affected by the crisis in the 1970s and 1980s. These actions were intended to improve urban tourist destinations, to recover the cultural and natural heritage and to increase the supply of accommodations. The Competitiveness Plan involved the participation of all governments and the private sector. The successful operation of this plan contributed to its extension (Futures II), and subsequent planning targets have followed this model. In 2006, the Integral Quality Plan for Spanish Tourism (PICTE) was established. The main strategy of the PICTE was to improve the quality of tourism in 2007 by endorsing Spain's Horizon 2020 Plan, which focuses on environmental sustainability and competitiveness in the tourism sector.

Since 1975, Portugal's tourism sector has been in recovery, in line with the normalisation of the political situation. In the 1980s, Portugal showed strong growth in housing supply and demand. This rapid development did not obscure certain weaknesses in the sector, including urban sprawl, excessive dependence on tour operators, and a high concentration of supply in a few areas. In the following decade, Portugal sought to diversify tourism and to promote the country abroad by holding major events, such as the University of Lisbon Expo in 1998. There has been a strong restructuring of tourism administration since 2006 through the delegation of powers to the central government.

