

**REGIONAL AND SOCIO-ECONOMIC FUNCTIONS OF THE CITY OF TUZLA****Almira Bećirović**, Elementary school „Brčanska Malta“ Tuzla[almira.becirovic@hotmail.com](mailto:almira.becirovic@hotmail.com)**Fadila Kudumović Dostović**, University in Tuzla, Faculty of Natural sciences and mathematics, Geography Department, 75000 Tuzla[fadila.kudumovic-dostovic@untz.ba](mailto:fadila.kudumovic-dostovic@untz.ba)

*Regional centers are the most important carriers and drivers of development, and the basis for future prosperity of both the region individually and the country as a whole. Tuzla, as a regional center of the first order in the area of Northeast Bosnia, had, and still has, the most important role in the development of this region, which from the 1960s to the 1980s became the main center of mining, industry and education. Because of that, at the end of the 20<sup>th</sup> century, over 40,000 daily migrants from all parts of the regional territory gravitated towards Tuzla. In the period after the last war in Bosnia and Herzegovina, Tuzla, like other lower-ranking regional centers in Northeast Bosnia, was characterized by polarized and unfavourable development that was administratively and politically limited to the entities, cantons and districts. At the beginning of the 21<sup>st</sup> century, Tuzla changed significantly in the functional sense under the influence of long-term changed political, administrative and economic circumstances, and the changes are most visible through the growth of business and tertiary and quaternary functions and declining production functions that were the basis of Tuzla's functional structure.*

*The paper presents and analyzes the most important features of modern functions of the city of Tuzla (labor, economic and important public functions) through total employment/unemployment and labor force, and employment by sectors of activity (industrial, trade, tourism, transport, agriculture, education, health and cultural) as well as through the structure of business entities in the city of Tuzla in the first decades of the 21<sup>st</sup> century.*

**Key words:** *regional center, employment, business entities, job function, economic and public functions, City of Tuzla.*

**INTRODUCTION**

The functions that a city performs for a narrower or wider environment best indicate the importance of that city and its socio-economic position in the hierarchy of cities of a country or region. Under the influence of socio-economic and political circumstances, cities as well as the functions they have are subject to constant changes and transformations (Smlatić, 1978).

The city in area has, as it's often emphasized, a focal meaning that can be considered from two points of view. First, as a focus of socio-economic transformation of the environment under the influence of its work function, and secondly as the main carrier and initiator of functional relations and functional organization of space (Vresk, 2002, 36-37).

Tuzla, a city with a long and rich history, tradition, culture and economic development, became the political, administrative, educational, health, cultural and sports center of the region of Northeast Bosnia in the second half of the 20<sup>th</sup> century and thanks to demographic growth it became third city by size in Bosnia and Herzegovina (behind Sarajevo and Banja Luka).

The differences in functions between the regional center and the state capital are numerous, but they have in common that they have their economic function in many ways different from other cities in the state. Capitals exist on a three-sector economic matrix: on the one side, the international economy and its representatives that wants to go to the capital (financial - trade city), the other sector is budget based on the functions of the state (political - administrative city), and the third makes the local economy which, as in all other cities, is subject to the global competition, fiscal burdens and for which restructuring is the most important strategy (service-industrial city) (Filipić, 2016). Considering the status and powers of cantonal and entity centers in Bosnia and Herzegovina, and Tuzla among others, they largely have the characteristics of the capital, except that in the conditions of Bosnia and Herzegovina they cannot have the function of an international economic center. According to other parameters, and especially demographic, they represent key hubs of both population concentration and economic development.

According to the last census from 2013, there were 110,979 inhabitants in the City of Tuzla (74,457 inhabitants in the inner city zone, and another 36,522 inhabitants in the wider city area). Since the end of the 1990s, it has been the center of the most populous canton of the Federation of B&H, and with a population density of over 1,000 inhabitants/km<sup>2</sup>, it is one of the most populated urban areas in Bosnia and Herzegovina (Bećirović, Kudumović-Dostović, 2019).

Considering the strong industrial development since the 1950s, Tuzla is experiencing major changes in its functional structure that are reflected in the expansion of the city's gravity area. Industrial development followed the development of other activities (education, health, administration, culture, etc.) and attracted the population not only from other parts of Bosnia and Herzegovina but also from the former Yugoslavia (Klapić, 2002). However, the largest number of inhabitants (daily migrants) in Tuzla came from the area of the Northeast Bosnia region in the late 1980s (40,360), and mostly from the area of Tuzla and its neighbouring municipalities (Kudumović-Dostović, Tufekčić, 2016).

The basis of the research approach in this paper is the method of analysis and synthesis, and spatial comparisons, supplemented by tabular analysis of statistical data. Considering that the functions and importance of Tuzla as a regional center in the past period have changed significantly, the main goal of this paper is to identify, determine and analyze the characteristics of modern economic and other (public) functions of the city with emphasis on analysis of industrial, commercial, traffic, tourism, education, health and cultural functions. Based on previous knowledge about the researched area and analysis of available literature, the paper starts from the assumption that in the first decades of the XXI century the number of business and service functions and their spatial expansion increased, and the number of production functions and their spatial reduction decreased.

## WORK FUNCTION OF THE CITY OF TUZLA

When we talk about the function of work in the city, it can be expressed by the number of employees or the number of jobs. These two indicators rarely coincide, given that often in certain activities of the economy there is a surplus, i.e. a shortage of jobs (Vresk, 2002). Therefore, the most important factor of economic development of the city is the labour force, i.e. the level of employment of the population and as such is a reliable indicator of the level of development and the state of the overall economy.

When it comes to the workforce, until the 90s of the last century, there was a predominant share of activities in the social sector in which in 1990 was employed about 98.59% of the total number of employees in the city of Tuzla, while in the same period, the individual property sector with an employment share of about 2.41% was neglected and as a development opportunity completely unused and neglected. The dynamics of employment of the population until 1990 was related to investments in certain sectors of economic activities. The largest number of newly created jobs was in industry (about 40%), followed by trade (about 15.3%), transport (about 14.2%) and construction (about 14.2%) (Klapić, 2013). The post-war and transition period had a very unfavourable effect on the economic and development position of the city. In this period, poorly implemented privatization, outdated technology, unfair competition and other similar reasons, many companies (carriers of economic development) have led to complete collapse. This had a negative impact on the labor force, i.e. there was a decrease in the employment rate and an increase in the unemployment rate, as well as a decline in the living standards of the population of Tuzla. At the beginning of the 2000s, progress in economic development was visible, which had a positive effect on the increase in the number of employees in the city. According to the results of the last census from 2013. out of a total of 110,979 inhabitants of Tuzla, 52,705 were able to work, or 47.5%. The analysis of the movement of the number of employees in the observed period (Table 1) shows that in 2018. the number of employees increased by 5,917 persons compared to 2002. In this period, the growth of the number of employees is evident (from 29,737 in 2002. to 32,709 in 2012.), and the highest employment rate (67.6%) was achieved in 2018.

**Table 1. Number of employed, unemployed and labor force in the City of Tuzla from 2002. to 2018.**

Year	Number of employed	Number of unemployed	Labor force	Employment rate %	Unemployment rate %	Excess of employment in relation to unemployment
2002.	29.737	14.673	44.410	67,0	33,0	15.064
2005.	28.250	17.565	45.815	61,7	38,3	10.685
2010.	32.971	18.579	51.550	64,0	36,0	14.392
2012.	32.709	20.210	52.919	61,8	38,3	12.499
2013.	31.558	20.284	52.842	59,7	40,3	11.274
2014.	31.284	20.560	51.844	60,3	39,7	10.724
2015.	31.025	20.819	51.844	59,8	40,2	10.206
2016.	30.866	19.156	50.022	61,7	38,3	11.710
2017.	31.244	18.203	49.447	63,1	36,9	13.041
2018.	35.654	17.051	52.705	67,6	32,4	18.603

Source: Klapić, M., 2013., *Socioekonomski pokazatelji po općinama u Tuzlanskom kantonu u 2015. godini*; *Socioekonomski pokazatelji po općinama FBiH u 2016., 2017., 2018. godini*;

In this period, the employment rate of the population of Tuzla is higher in relation to the total labor force, and it is also higher in relation to the employment rate at the level of Tuzla Canton, which in 2018 amounted to 31.1% (Macroeconomic indicators by cantons FBiH 2018, 2019.). At the same time, the unemployment rate in the analyzed period is increasing and ranged from 33% in 2002 to 40.2% in 2015. After 2015, the unemployment rate shows a declining trend and in 2018 it was 32.4%.

The surplus of employees in relation to the number of unemployed persons in the area of the City of Tuzla was the lowest in 2015 and amounted to 10,206 persons, and the largest in 2018 and amounted to 18,603 persons.

It is noticeable that in the last 20 years the City of Tuzla has been developing as a service city. Based on the analysis (Table 2), it can be seen that in the modern period in the City of Tuzla there is a growing trend in the number of employees in the production of services, while at the same time there is a large decline in the number of employees in the production of goods (industry). The analysis of the number of employed by activities in the City of Tuzla and Tuzla Canton showed that in the City of Tuzla there is a growing trend in the number of employees in the tertiary and quaternary sectors, while at the same time there is a significant decline in the number of employees in the secondary sector and especially industry. In the period from 2009 to 2011, there was a growing share of tertiary and quaternary activities (71.2% in 2011) in total employment, as well as a significantly higher share at the level of Tuzla Canton (57.9%) (Table 2).

**Table 2. Number of employed inhabitants by activities in the City of Tuzla and Tuzla Canton in 2009, 2010 and 2011**

SECTORS OF ACTIVITY	CITY OF TUZLA					TUZLA CANTON		Tuzla's share in Tuzla Canton (%)
	2009.	Share (%)	2010.	2011.	Share (%)	2011.	Share (%)	
<b>PRIMARY SECTOR</b>	<b>106</b>	<b>0,3</b>	<b>106</b>	<b>103</b>	<b>0,3</b>	<b>1.154</b>	<b>1,4</b>	<b>8,9</b>
Agriculture, forestry and fishing	106	0,3	106	103	0,3	1.154	1,4	8,9
<b>SECONDARY SECTOR</b>	<b>9.895</b>	<b>30,4</b>	<b>9.739</b>	<b>9.320</b>	<b>28,5</b>	<b>33.825</b>	<b>40,8</b>	<b>27,6</b>
Manufacturing, mining and electric power	7.707	23,7	7.606	7.209	22,0	28.818	43,7	25,0
Construction	2.188	6,7	2.133	2.111	6,4	5.007	6,0	42,2
<b>TERTIARY SECTOR AND OTHER ACTIVITIES.</b>	<b>22.535</b>	<b>69,3</b>	<b>23.126</b>	<b>23.315</b>	<b>71,2</b>	<b>47.967</b>	<b>57,8</b>	<b>48,6</b>
Trade	5.482	16,8	5.597	5.500	16,8	13.972	16,8	39,4
Catering industry	1.068	3,3	1.088	1.052	3,2	2.818	3,4	37,3
Traffic	2.825	8,7	2.968	2.939	9,0	6.051	7,3	48,6
Financial intermediate	795	2,4	935	971	3,0	1.429	1,7	67,9
Real estate business	1.862	5,7	1.922	2.057	6,3	2.801	3,4	73,4
Public administration	2.794	8,6	2.803	2.843	8,7	5.290	6,4	53,7
Education	2.755	8,5	2.817	2.868	8,8	7.573	9,1	37,9
Healthcare	3.711	11,4	3.724	3.795	11,6	5.921	7,1	64,1
Other public, communal and other act.	1.241	3,8	1.272	1.290	3,9	2.167	2,6	59,5
<b>Total</b>	<b>32.536</b>	<b>100,0</b>	<b>32.971</b>	<b>32.738</b>	<b>100,0</b>	<b>82.946</b>	<b>100,0</b>	<b>39,5</b>

Source: Klapić, M., 2013., str.137

In this period, with the influx of workforce in almost all service activities, 780 new jobs were created, in real estate 195, financial intermediation 176, education 113, health 84, public administration 49, trade 18, and in other public, communal and other activities 49 new employees. In this period, only in the field of catering business, a smaller number of employees was recorded - 16 people. Labour inflows resulted in an increase in the share of the tertiary and quaternary sectors in the total number of employees by 2%, from 69.3% in 2009 to 71.2% in 2011. The largest share of employees in 2011 was in the tertiary and quaternary sectors. In the first place is trade (16.8%), followed by health (11.6%), transport (9.0%), education (8.8%), public administration (8.7), real estate (6, 3%), other public, communal and other activities (3.9%), catering industry (3.2%), and financial intermediation (3.0%). In the activities of the secondary sector, which is still under the impact of transition processes and in the phase of transformation, the total number of employees decreased by 1.9% (from 30.4% in 2009 to 28.5% in 2011). In this period, the number of employees in industry and mining decreased by 498 employees, and in construction by 77 employees. The activities of the primary sector (agriculture, forestry and fisheries) with a share in total employment with only 0.3% are on the margin of employment in the city, regardless of available resources. Comparing the number of employees by sectors of Tuzla and Tuzla Canton, it is noticeable that the city of Tuzla participates much more in the activities of the tertiary and quaternary sector (71.2%) than the canton (48.6%), followed by the activities of the secondary sector (28, 5%), while the lowest employment rate is recorded by the primary sector (0.3%).

The growth in the number of employees in Tuzla was accompanied by an increase in the number of business entities in the city. As at the end of 2018, 9,460 business entities were registered and operating (3,825 legal entities, 2,055 units and 1,580 crafts). In the observed period of 15 years (2003-2018), the dynamics of establishing business entities in the area of Tuzla is increasing, and an average of 264 business entities (110 legal entities, 48 units, and 105 crafts) were registered annually. In 2018, in the total number of business entities of the Tuzla Canton, it had the largest share of 35.1%. Also, Tuzla in the cantonal economic structure has the largest share in the number of legal entities (about 40%), organizational units within existing companies (about 30%) as well as in small crafts (about 30%) (Table 3).

**Table 3. Structure of business entities in the city of Tuzla**

CITY OF TUZLA	2003.	2011.	2016.	2017.	2018.	increase 2003-2018	Annual avg.
Legal entities	2.173	3.239	3.559	3.722	3.825	1.652	110
Branch units	1.322	1.933	1.960	2.086	2.055	733	48
Crafts	2.005	3.250	3.515	3.491	3.580	1.575	105
<b>Total business entities</b>	<b>5.500</b>	<b>8.422</b>	<b>9.034</b>	<b>9.299</b>	<b>9.460</b>	<b>3.960</b>	<b>264</b>
Tuzla Canton							
Legal entities	5.177	7.931	9.071	9.243	9.514	4.337	289
Branch units	3.500	5.280	5.745	5.896	5.892	2.392	159
crafts	6.254	10.376	11.439	11.299	11.531	5.277	351
<b>Total business entities</b>	<b>14.931</b>	<b>23.587</b>	<b>26.255</b>	<b>26.438</b>	<b>26.937</b>	<b>12.006</b>	<b>8.004</b>

Source: Klapić, M., 2013 Tuzlanski kanton u brojkama 2016., 2017. i 2018.g. Statistički godišnjak/ljetopis FBiH 2017, 2018. i 2019.g.

## ECONOMIC FUNCTIONS OF THE CITY OF TUZLA

The functions of the city depend on its relations with the environment, i.e. the region that surrounds it. City functions are directly related to the basic definition of the city, which means that the city has two basic functions, namely the function of production of goods and services and the function of housing and work of the city population. The analysis of the functions of the city of Tuzla will include the analysis of the most important economic activities, starting from industrial, through trade and traffic to tourism.

**Tuzla's industrial functions** have played a fundamental role in its modern development. The city of Tuzla and its wider area has abundant natural resources and favourable natural conditions for the development of industrial activity in its area. Industry of Tuzla was the leading economic activity until the beginning of the 1990s with the largest share in the realization of the overall economic effects (in employment about 45%, and in the social product about 50%). Today, the industry in the area of the city is dispersedly distributed, with the largest number of companies concentrated in the area of the industrial zone "Zapad", and other facilities are located in various separate locations in the city area. Post-war and transitional influences have led to changes in the structure of the business sector. There is an increase in the share of trade, catering and tourism, the banking sector and services, which is reflected in the structure of employees and the structure of revenues, while many larger industrial enterprises failed.

Such a fate befell the factories HAK I and II, Gumara, Tuzko, Elir, Kvin Maja (former spirit factory), and Livnica, Aida and numerous other companies have been in bankruptcy proceedings for many years. The heavy industry that formed the backbone of industrial production today is based on small and medium-sized enterprises with a disordered market. In the processing industry of the city of Tuzla in 2018, 750 business entities were registered or 7.9% of the total number of business entities of the city of Tuzla. In the period from 2012 to 2018, there was a growth trend in the establishment of new economic entities. In this period, 48 business entities or 8 entities per year were registered (Tuzla Canton in numbers, 2013, 2014, 2015, 2016, 2017, 2018, 2019.).

**Table 4. List of the largest processing companies exporting from the area of Tuzla in 2017**

Company name	Activity	Export value
Solana d.d.	The food industry	18.753.616
Elsta Mosdorfer Bosnia d.o.o.	Electro industry	13.904.576
Elatec d.o.o.	Electro industry	6.005.883
Umel-dalekovodmontaža d.o.o.	Metal and mechanical industry	5.491.697
Traktionssysteme Bosnia d.o.o.	Electro i mechanical industry	4.678.275
Elcom d.o.o.	Process automatics and engineering	11.266.376
Rentex-com d.o.o. Tuzla	Production of work clothes	2.726.615
Piemonte d.o.o. za trgovinu	Meat industry	2.562.044
Babilon d.o.o. Tuzla	Furniture manufacturing	2.164.284
Menprom d.o.o. za proizvodnju, trgovinu i usluge	Meat industry	1.574.016
Deling d.o.o. za proizvodnju, promet i usluge	Electro industry	1.446.556
Piksel interactive"" d.o.o.	Programming and design	1.089.879
CA design d.o.o. Tuzla	Programming and design	1.069.494
Bosit industry d.o.o. za proizvodnju, promet i usluge	Footwear production	1.054.895

*Source: Strategija razvoja Grada Tuzla 2012- 2016. godine, Revidirana za period 2019-2021.*

The structure of the processing industry of the city of Tuzla is diverse. Table 4 shows that the food industry, primarily salt production, has the highest value of exports. In addition, meat processing, mill and bakery industry, milk processing, production of beer, soft drinks and mineral water, production of cakes and confectionery products are significant. The construction material industry in Tuzla includes capacities for gas concrete, quartz sand and concrete accessories, and capacities from the metal and electrical industry, as well as from the graphic industry have been established. Therefore, the production and processing industry has a significant export potential, and the largest exporters in this activity from the area of the city of Tuzla are shown in Table 4.

In the pre-war period, **the trade function** (trade as an activity) occupied a significant place in the overall economy of the city. At the beginning of the 1990s, the size of the realized GDP in trade amounted to 150.2 million DEM, while the economy of the city participated in the total realized social product with about 18.3%. There were 846 economic entities operating in trade, i.e 48.4% of the total number of economic entities in the city. Among them, companies of cantonal importance were considered: Metalotehna, Tekstil, Tehnopromet, Prehranapromet, Tuzlanka and Amos (Klapić, 2013). In the post-war period, many trade firms went bankrupt or were privatized. However, despite the numerous problems it encounters, trade still occupies a significant place in the city's economy, both in terms of the number of economic entities and the number of employees and GDP in the overall economy. In terms of the total number of employees, stores in Tuzla are in second place, after mining. The total number of business entities in the field of wholesale and retail trade in 2018 was 2,950, which is 49 entities less than in 2012 (2,999). Due to the growth of domestic trading companies, and the entry of foreign trading companies, many small companies that cannot withstand market competition are shutting down, which shows that the number of trades in the trade sector decreased by 3% (from 966 in 2016 to 937 in 2017) (*Information on the state of trade in the Tuzla Canton in 2017, 2018*). Bosnia and Herzegovina's largest retail chain, Bingo, is headquartered in Tuzla. In addition to food products, it also offers clothes, chemical, cosmetic products, as well as appliances and products for home use. This company, in addition to sales, also deals with the purchase of various goods from other manufacturers, as well as the production of its own products, and thus builds its own brand. In 2015, he started a large investment in the construction of the "Bingo City Center", on an area of about 38,498 m<sup>2</sup>, on the site of the former Kvin Maja factory (Spirit) with business facilities and a parking garage within three floors. The center opened in 2016. Within the center are numerous shops that offer assortments of well-known regional and international brands. In the area of the City of Tuzla, in addition to Bingo, there are also retail chains Piemonte and Mercator Center, which in addition to a wide range of domestic products, through established cooperation with renowned foreign manufacturers, also offer products from various companies.

**The traffic function** in the area of Tuzla has a very important role in its development. This is evidenced by the fact that until the 1990s, about 14 million DEM or 9.8% of total economic investments were invested in this sector annually. The war and post-war events not only interrupted the pre-war development trend, but also made this activity devastated and largely incapacitated for the provision of passenger and goods transport services. (Klapić, 2002). Today, traffic functions in the area of the City of Tuzla take place by land (road and rail) and air traffic. The existing road network in the city consists of the main routes: Sarajevo - Tuzla - Bijeljina - Kuzmin (M-18), regional: Tuzla - Simin Han - Brčko; Tuzla - Solina - Brčko and Tuzla - Dubrave, and roads of local importance: Šićki Brod - Bukinje - Tuzla - Simin Han; Solina-Dolovi-Mandići and Donje Dubrave - Donji Pasci - Krojčica - Tuzla.

Taken as a whole, the traffic infrastructure, primarily the network of streets in the city area, is underdeveloped, and represents a bottleneck in the traffic of people and goods (Bećirović, 2012). The total length of the road network in the city area is 150 km, of which the main roads account for 50 km or 33.33%, regional 31 km or 20.67% and local 69 km or 46% (Tuzlanski kanton u brojkama 2019). The increase in the number of vehicles also affects the increased intensity and even the traffic load in the city. According to the data in 2018, a total of 35,324 vehicles were registered in the city, of which 31,336 passenger motor vehicles, 193 buses, 3,332 trucks, 417 motorcycles and 46 other vehicles, which is an increase of 217 vehicles compared to 2017 (35,107 vehicles) (Tuzlanski kanton u brojkama 2019).

In the traffic activity of the City of Tuzla in 2018, 216 business entities (legal entities) were registered, which makes 7.6% of the total economy. In the analyzed period, an increase in the number of business entities is noticeable. On average, about 25 companies are registered annually (*Tuzlanski kanton u brojkama, 2013, 2014, 2015, 2016, 2017, 2018, 2019*). According to data from 2011, 2,939 workers were employed in transport activities, which represented 8.9% of the total number of employees in the city's economy. In the area of the City of Tuzla, public transport of passengers takes place by bus and taxi. Bus public transport is organized in the area of the city of Tuzla and in the area of neighbouring municipalities. The branching of the bus network is limited by the road network as well as the topography of the city, and therefore has a low mobility density. The entire bus traffic takes place on 35 cities and suburban lines (<https://www.gipstk.com>), while taxi transport takes place exclusively in the inner city area. City traffic is developing in accordance with the needs of the population and the economy of the city, but also its surroundings (Smlatić, S.). The holder of the function of city and suburban transport in the city is the company "GIPS" d.d. Tuzla. Bus lines go to the terminals located in the western and eastern part of the city, i.e. at the very entrance to Tuzla. About 120 buses operate on regular lines and about 15 million passengers are transported annually. The longest bus line is about 35 km away from the city, Tuzla-Srebrenik (<https://www.gipstk.com>). In the area of the city, there is a larger number of taxi carriers, 221 business entities, of which 34 legal entities and 187 persons, with 345 taxi vehicles. Most taxi companies provide services in the inner city. Although the number of taxi carriers is small compared to the number of registered vehicles, a large number of passengers use taxi services mainly due to the proximity of arrival to the final destination and low prices of services.

According to the available data, about 4 million users used the taxi service annually (<https://vladat.kim.ba/Ministry of Trade, Tourism and Traffic, 2019>). The city of Tuzla is also an important railway hub (Tuzla - Dobož, Brčko - Tuzla - Banovići, Tuzla - Živinice - Kalesija - Zvornik). Although railway traffic has a long tradition of existence, today in the city this type of traffic is not of great importance and is almost completely suspended (Kudumović-Dostović, 2017). Air traffic takes place through the Tuzla International Airport, located in Dubrave, 8 km southeast of the city of Tuzla and 5 km east of the city of Živinice. From 2011, planes of the low-budget Hungarian airline Wizz Air land at Tuzla International Airport, and from the beginning of 2011 until the end of 2019, 2,505,312 passengers passed through this airport (<http://tuzla-airport.ba/statistika>). The number of employees at the airport increased from 45 employees in 2014 to 170 employees in 2018. Air traffic has been established on the route with 33 cities in Europe.

Until the end of the 20th century, **the tourist function** in the area of the City of Tuzla was not of great importance. Tourism has been developing more intensively in the last twenty years. It has made significant progress thanks to the construction and improvement of tourist



infrastructure and facilities. Using salt water resources, in 2003 a unique complex of salt lakes "Panonika" with a salt waterfall was built. This made a turnaround in the development of the economy of the city of Tuzla, placing emphasis on the development of tourism. The Pannonian Lakes complex has been visited by over 4.5 million tourists since its establishment, with an average daily visit of about 7,000 guests and a maximum daily visit of about 15,000 guests (<http://panonika.ba/o-nama/>). Apart from the Panonika complex, the tourism of the City of Tuzla is based on other forms of tourism, such as: cultural-historical, religious, sports-recreational, health, spa, congress and business, which significantly improve the image of the city's tourist offer. The number of registered tourists (Table 5) in the period from 2009 to 2019 had a trend of continuous growth, i.e the number of tourists increased from 14,308 in 2009 to 31,570 tourists in 2019, which is an increase of 52.7%.

**Table 5. Number of tourists and overnight stays in the City of Tuzla in 2009 and 2019**

City of Tuzla	2009.	Share (%)	2019.	Share (%)	Annual avg.
Tourists					
Domestic	8.864	61,95	18.158	57,5	929,4
Foreigners	5.444	38,05	13.412	42,5	796,8
<b>TOTAL</b>	<b>14.308</b>	<b>100,0</b>	<b>31.570</b>	<b>100,0</b>	<b>1.726,2</b>
Overnight stays					
Domestic	29.934	71,72	31.069	48,7	113,5
Foreigners	11.806	28,28	32.696	51,3	208,9
<b>TOTAL</b>	<b>41.740</b>	<b>100,0</b>	<b>63.765</b>	<b>100,0</b>	<b>322,4</b>

*Source: Turistička zajednica Tuzlanskog kantona, 2020.*

In the same period, there was a significant increase in the number of overnight stays from 41,740 in 2009 to 63,765 overnight stays in 2019, of which 32,696 overnight stays of foreign tourists or 51.3% and 31,069 overnight stays of domestic tourists or 48.7%. In the observed period it increased and the number of employees from 1,201 in 2009 to 1,456 workers in 2019, which is an increase of 21.2% (Turistička zajednica TK, 2020). Also, in the tourism industry, the number of business entities increased by 72 business entities, from 701 in 2012 to 773 in 2018 (Tuzlanski kanton u brojkama, 2013, 2014, 2015, 2016, 2017, 2018, 2019).

## PUBLIC FUNCTIONS OF THE CITY OF TUZLA

Today, **educational functions** are developing expansively both in the area of the city of Tuzla and in the entire Tuzla Canton and Northeastern Bosnia. According to the number of primary and secondary schools from the beginning of the 1970s until today, the municipality stands out, i.e the City of Tuzla, and then the other two regional centers of the region, Bijeljina and Brčko. The establishment of the University of Tuzla in 1976 was of special importance for the acquisition of high and higher education for the population of Northeastern Bosnia. Thus, already in 1981, there were 10,831 persons older than fifteen with a university degree and 8,238 with a university degree in the region. By 1991, the number of persons with completed higher education increased by 5021 or 46.4%, and with completed higher education by as much as 9,070 or 110.0%.

In the period after 1995, the number of primary and secondary schools decreased, as well as the number of students attending primary and secondary education, which is primarily

the result of the negative trend of natural population movement (Kudumović Dostović, 2017, 213).

In the area of Tuzla Canton in the school year 2018/2019. 5 preschool institutions were registered for work with preschool children, of which 1 public preschool institution (Naše dijete) and 4 private ones (Aladin, Pupiljak, Sretna porodica and Montessori IQ corner). Preschool education in the area of the City of Tuzla included 2,309 children, with whom 176 employees worked. Primary education is organized in 36 primary schools (23 central and 9 regional schools, and 1 music and 2 schools for students with special needs). There is a decreasing trend in the number of students attending primary education. Number of students in the 2018/19 school year is 8,878, which is a decrease of 179 students compared to the school year 2017/18.

In the 2018/19 school year, students were distributed in 388 classes, and the average number of students per class was 21.58. 775 people are employed in primary education, of which 531 are women. Secondary education is organized in 17 schools (2 gymnasiums, 1 religious school, 1 art school, 1 for students with special needs and 12 technical and vocational schools). In the field of secondary education, there has also been a declining trend in the number of students. Number of students in the 2018/19 school year amounted to 5,938, which is a decrease of 302 students compared to the school year 2017/18. Students are distributed in 271 classes, and the average number of students per class is 21.91. It should be taken into account that a certain number of students from neighbouring municipalities are enrolled in secondary schools in the area of the city of Tuzla. 700 people are employed in secondary education, of which 445 are women ((Informacija o stanju u oblasti predškolskog, osnovnog i srednjeg odgoja i obrazovanja u školskoj 2018/2019. godini).

In the academic year 2018/19., higher education was organized at 24 faculties, which operate within the University of Tuzla and several private higher education institutions. Within the University of Tuzla, there are 12 faculties and the Academy of Dramatic Arts, where in the academic year 2018/19. there were 9,327 students. 1,581 students are registered at 13 private higher education institutions operating in Tuzla. This has increased the offer in the higher education sector of the city of Tuzla, which creates the need to increase the competitiveness of study programs between public and private faculties (Tuzlanski kanton u brojkama, 2019).

An important factor in the development of the society is the scientific research activity, which is organized within the University and the Institute (economic, mining, construction and chemical) in Tuzla. Not enough attention is paid to the development of science in the area of the city of Tuzla and the cantons by the cantonal authorities. Allocations from the budget for the development of science are minimal and in 2013 they amounted to 0.05% of the Budget of Tuzla Canton, which is 53.14% less than in 2008 (Dostović Kudumović, 2013).

**Health care** in the city of Tuzla as an organized public activity has a very long tradition. According to the data for 2018, there were 1,330 patient beds or one patient bed per 83 inhabitants in the area of the city of Tuzla within the health institutions. There were 772 doctors employed in health institutions (one doctor per 165 inhabitants). Primary health care and Specialist-consultative health care at the city level is provided by the PHI Health Center with the polyclinic "Dr Mustafa Šehović". Outside the Tuzla Health Center, there are 25 regional family medicine clinics in the wider city area. The gravitational area of Tuzla's health care covers 13 municipalities of Tuzla Canton, because there are several institutions in the city whose services are used not only by the inhabitants of the city, but also by the wider surroundings, i.e. Tuzla Canton. Tertiary level of health care includes: Cantonal Institute of

Public Health Tuzla, University Clinical Center Tuzla, and Institute for Health Insurance of Tuzla Canton. In addition to these, there are several private health care institutions in the city, such as the Heart Center (Centar za srce), the Mediscan Polyclinic, the Vaše zdravlje Polyclinic, the Medical Polyclinic, the Plava Polyclinic and others.

**The cultural function** of Tuzla is very important and represents one of the most important elements of the identity of this city. In the field of culture in the City of Tuzla there are several institutions: Archive of Tuzla Canton, Museum of Eastern Bosnia, Institute for Protection and Use of Cultural, Historical and Natural Heritage TK, National and University Library "Derviš Sušić", Museum of Salt, National Theater and Cultural Center.

The National and University Library "Derviš Sušić" started working in 1946. It is a cultural, information and educational center of the City of Tuzla and Tuzla Canton, which provides citizens with access to cultural content and information for the needs of education, lifelong learning and information. It has a diverse fund of 200,000 library units. About 10,000 new members join the library annually and about 100,000 services are delivered (<https://nubt.ba/>). The Tuzla National Theatre was founded in 1949 and has been operating continuously since then. During the year, about 120 plays are shown to the 25,000 people (<https://nptz.ba/>). The Tuzla Canton Archive was founded in 1954 with the aim of recording, collecting, arranging, processing and protecting historical material. It has more than 490 funds and collections, of which a large number have been archival processed and prepared for use by the population of the City of Tuzla, and in a broader sense, the region of Northeastern Bosnia, and the whole of Bosnia and Herzegovina. Within the archives there is a library with a reading room which has about 15,000 library units. As part of its publishing activities, the archive has published 44 books, 18 catalogues, 21 journals "Archival Practice" and 70 publications. To date, the archive has organized 90 exhibitions, which were available to the population of the region of Northeastern Bosnia, but also beyond this region (<https://arhivtk.ba>).

The Museum of Eastern Bosnia was founded in 1947. The Biological Collection has been part of the museum since 1981. It has a professional library with 11,554 inventoried books. To this date, about 30,000 archaeological, ethnological, historical, natural and artistic exhibits have been collected and professionally processed. To date, the museum has realized more than 150 exhibitions, and published dozens of scientific research in the field of archaeological, ethnological, historical and natural heritage ([www.muzejibtuzla.podkonac.org](http://www.muzejibtuzla.podkonac.org)). The Institute for the Protection and Use of the Cultural, Historical and Natural Heritage of Tuzla Canton was established in 1983 with the aim of researching, reconnaissance, valorisation, protection, use, restoration and affirmation of the heritage of Tuzla Canton. The publishing activity of the institute is very strong, where in the last 10 years it has published 11 issues of the Northeast Bosnia Magazine, 10 books of the Srebrenica Monument edition, 6 collections of papers from scientific conferences, 15 monographs and various other editions. The working professional library has over 500 titles. Within the institute there are 4 exhibitions that are set up as needed in the area of Tuzla Canton and Bosnia and Herzegovina (<https://www.bastina.ba>).

Tuzla Cultural Center is an institution of special importance for the city of Tuzla. It was created by merging several public institutions into a single cultural center: International Portrait Gallery Tuzla, International Studio "Ismet Mujezinović", Youth Center Tuzla, Tuzla Literature House, Kaleidoscope Festival, Swedish House of Solidarity G. Lipnica, Social House G. Tuzla and House of Culture Husino. The activities of this institution cover a wide range of cultural: art, museum-gallery, music, literary-publishing, scientific-research and architectural content (<https://centarzakulturutuzla.ba/>)

Some of the cultural events that are organized in the city are: Summer in Tuzla, Kaleidoscope Festival, Literary Meetings *Cum grano salis* and others, which attract the population from the wider area. In the field of culture in the city of Tuzla in 2012 there were 105 employees, while in 2017 it was reduced to 93 employees. The largest decrease in the number of employees was recorded at the Tuzla National Theatre from 54 to 43. This shows that the attitude towards cultural activities is not at a satisfactory level, and the fact that the budget of the City of Tuzla for financing cultural institutions in 2012 doesn't speak in favour - only 485,638 KM were allocated in the year 2012, and in 2017 around 1,116,000 KM (*Strategija razvoja grada Tuzla 2012-2026, revidirana za period 2019-2021.*).

## CONCLUSION

Based on the presented data, it can be concluded that Tuzla, as the regional center of Northeast Bosnia, had, and still has, a significant role in its development. However, in the changed socio-economic and political circumstances, at the end of the XX and in the first decades of the XXI century, Tuzla enters a new stage of development which is accompanied by a series of changes in terms of the importance of its functions. The labour force, which reflects the state of the entire economy, in the first decades of the XXI century recorded an increase in the number of employees, and every fourth inhabitant of the city has the status of an employed person. The sectoral structure is being restructured from the secondary to the tertiary and quaternary sectors, where there is growth in both the number of employees and the number of newly formed businesses in almost all service industries, and in this period Tuzla begins to develop as a service city. However, the problem of unemployment is continuously present, and is largely the result of the immigration of the working age population to the city.

The economic functions of the city, which make up a spectrum of different industry branches starting from industry, through trade, traffic to tourism, are not developing with the same intensity. The largest growth was recorded in the trade function, both in terms of the number of newly registered business entities and the number of employees. The traffic function gained importance after the commissioning of Tuzla Airport, which is an important carrier of both domestic and international traffic of passengers and goods in the region. The tourist offer consists of destinations that attract a large number of both domestic and foreign tourists, and among them is the "Panonika" complex, which has been visited by nearly 5 million tourists since its founding. The industrial function, which in the past was the main carrier of economic development of the city and the region, in the process of restructuring loses the "race" in the market, and today is mainly based on small and medium enterprises.

By changing the new development policy, a significant step forward has been made in improving the business environment and changing the structure of public functions. In the modern period, the city of Tuzla has profiled itself as a modern center of the wider region, establishing new and strengthening existing capacities in the field of education, health and culture, which are modernized and equipped to provide better services to the population in the region and the region.

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