

# **Strangers at Our Gate: Comparative Power Dynamics in Short-Term Rental Regulation in France and Croatia**

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## **Abstract**

The rise of the platform economy has dramatically expanded short-term accommodation, often generating concern over its inadequate regulation and its impact on long-term affordable housing and the urban landscape. This paper examines recent developments in STR regulation in Croatia and France, highlighting divergent approaches to the distribution of power and decision-making between central governments, local governments, and property owners. Both countries have enacted reforms and share tourism-oriented economies, with significant concentrations of STRs in major urban and coastal areas. STR regulation in both countries comprises public and private law instruments: the former sets access rules aligned with urban and housing policy within geographical areas; the latter allocates decision-making authority among unit owners via condominium bylaws and nuisance law. A closer analysis reveals the countries' contrasting policies in terms of distribution of power. In France, the system is anchored in public law, granting significant regulatory authority to local governments in designing authorization schemes, while unit owners retain control subject to the "intended use" test and judicial review. In contrast, Croatia only recently empowered local governments to manage capacity through destination plans, while granting unit owners veto-style powers. The paper explores these regulatory differences considering distinct political pressures, including variations in electoral accountability and institutional responsiveness to housing activism. Whereas France faces stronger electoral pressure to address housing affordability, over-tourism, and urban quality of life, Croatia's heavily tourism-dependent economy generates political pressure from voters reliant on STR income and the tourism lobby. These contrasting political dynamics help explain why each country adopted a distinct regulatory balance between public and private controls in the governance of STRs.

**Keywords:** short-term rentals, comparative property, condominium, housing, urban planning