

SOME SPECIAL FEATURES OF CROATIAN ECONOMIC AND MONETARY HISTORY

Few generations are privileged to witness the creation of a new monetary system. In Croatia the privilege is even greater because this took place under exceptional and extremely complex conditions (the dissolution of a state of which Croatia had been a part, the occupation of part of Croatian state territory, aggression against it and war, with all the consequences that these circumstances bring). The complexity of this situation had a great influence on the monetary sphere and on the way in which this issue was arranged. Four partly overlapping monetary systems existed on the territory of Croatia in a relatively short time (from December 1991 to September 1997), two monetary systems of the sovereign state and two systems of the occupying entities. As a result of the activities undertaken by the monetary authorities (legal and occupational) four monetary units were used as legal tender in circulation in Croatia in the period observed (Croatian dinar /HRD/ and Croatian kuna /HRK/ - in succession on the territory

under Croatian rule, and the so-called Krajina dinar and Yugoslav dinar /YUD/ in the occupied parts of Croatia, also used in succession, with the partial overlapping in time of those monetary systems with the monetary system of sovereign Croatia). Two of the monetary units were divided in hundredths (the Croatian kuna and Yugoslav dinar). In that period there were also two monetary units that were never used: the Croatian kruna divided into one hundred banicas, which only got as far as the conceptual stage and partly took the form of trial prints, and a monetary unit that was never even named and was only planned as a way to find a solution for legal tender in the parts of occupied Croatia under Serb rule – on the territory of so-called Serb Krajina.

When some of the occupied parts of Croatia were liberated during 1991, 1992 and 1993, the Croatian dinar became legal tender in these areas, as well, but they were not large either in territory or in number of inhabitants. In 1995 some areas were liberated by military action – western Slavonia (military operation Flash) and northern Dalmatia, Lika, Kordun and Banija (military operation Storm), and with the establishment of Croatian sovereignty there, Croatian monetary authority was also introduced and the Croatian kuna became the only legal tender there, as well.

Finally, the remaining areas of the Republic of Croatia – eastern Slavonia, Baranja and western Srijem – were peacefully reintegrated and the kuna became the only legal tender in all of Croatia in 1997.

The circulation of coins is an especially demanding task and has long-lasting repercussions. The creation of new money must satisfy the needs of monetary traffic and economic demands, in the first place regarding the costs of its coinage, but also meet the aesthetic demands of their users.

In the article the author compares the issue of Croatian coins with issues of coins in three states in the given period, from the aspect of their characteristics, material of production and certain elements connected with managing this monetary form.

Key words: monetary system, monetary units, legal tender