

THE ROLE OF THE RURAL TOURISM IN DEVELOPING THE ECONOMY OF RURAL REGIONS

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Abstract. *Tourism is an important driver of socio-economic development and poverty reduction. One of the most dynamic and resilient economic activities, tourism is a catalyst for job creation and can stimulate the development of infrastructure and public services. Thanks to its job-creating capacity, tourism plays a major role in developing the often-overlooked potential of rural areas. Its significant multiplier effect on all economic sectors such as agriculture, manufacturing, construction and transport, can greatly contribute to the economic diversification of rural regions and to local economic development.*

This article analyzes the development of rural tourism as a factor for diversification of the rural economy. It reveals conditions and preconditions for the emergence of rural tourism, its promotion and development through multifunctionality concepts and diversification of agriculture. The article examines the history of emergence and development of rural tourism.

The article also provides a framework showing how tourism activities influences the travel experience, but also on local development seen in terms of the economy. Rural tourism plays an important role in the economy and thus it should not be overlooked. Rural tourism has suffered because of the recession with increasingly more people choosing this form of tourism to recreate, to move away from the crowded areas of the country.

Keywords: Rural tourism, rural development, regional development

JEL Classification: O13, R11, Z32.

1. INTRODUCTION

The tourism sector has experienced significant growth over the past decades and is now one of the most dynamic sectors in the world, with the fastest growth.

Tourism creates important links between economic sectors, including agriculture, construction and the tertiary sector. It can stimulate the development of various services, for example in energy and the environment, and tourism infrastructure – airports, roads and hospitals. It can generate economic benefits for rural communities, including the poor, by improving and diversifying their livelihoods, which also curbs migration to cities. (UNWTO, 2017)

The tourism sector is therefore emerging as a major driver of growth and socio-economic development. It can make a major contribution to the economic diversification of rural areas, essentially in two ways: first, by stimulating the creation of businesses and jobs for young people, women, ethnic minorities, indigenous peoples and tribal and marginalized groups; second, by promoting social integration and poverty reduction, while preserving culture and heritage. This is

particularly relevant for the rural economy of low-income countries, where poverty rates are high and decent work deficits widespread.

Agriculture remains the backbone of the rural economy of many low-income countries, but the trend in rural areas is towards increasing diversification of economic activities not directly linked to agriculture, including: tourism, processing and the marketing of agricultural products, handicrafts and related activities. (ILO, 2015)

Hotels and restaurants need food and beverages, and benefit from well-managed tourism growth that favors local agricultural products and stimulates demand for these products. Non-farm rural activities, such as agribusiness, rural transport and storage, also benefit.

Reinforcing the multiplier effect of tourism, these synergies and interrelationships can create jobs at the local level, stimulate external investment in the local and national economy, and complement the traditionally dominant sectors in rural areas, thus offering new sources of income and economic activity to local communities. The latter benefit from economic spin-offs when the tourism value chain integrates entrepreneurs in the region, such as local tourist guides. The quantity and quality of jobs created throughout the agricultural and tourism sector reinforce the direct positive impact of tourism on poor populations. (UNCTAD, 2013)

However, the benefits of tourism to rural economies are not automatic, and the potential effects on destination locations and the environment should be carefully weighed, as it can threaten the preservation of local resources. Remoteness, cultural heritage sites, nature and landscapes – characteristics common to rural areas – mean that a destination can be a unique and attractive point of attraction for tourism, which should however be preserved. It is essential to develop adequate policies to create sustainable tourism, which contributes to economic development, job creation and poverty reduction, without harming tourist destinations. These policies should be based on the principles of sustainable development, including social inclusion, preservation of the natural environment and culture, and the promotion of decent work. To take full advantage of the tourism sector, decent work deficits need to be addressed, including high levels of informality in the rural economy, low wages, long working hours, lack of protective institutions social and the absence of social dialogue.

Tourism can have several positive effects on local/rural economic development:

- stimulate the creation and growth of new businesses;
- by putting an export market within the immediate reach of many sectors (companies which begin to sell new products to tourists, and which meet with a certain success, can start exporting, thus contributing to the diversification of economy);
 - stimulate the development of new infrastructures and new transport services;
 - improving the skills of the labor force (tourism encourages local/rural populations to learn foreign languages and train themselves in customer service);
 - Create incentives, and enable fundraising, for more sustainable management of natural, cultural and historical resources. (ILO, 2013)

2. RURAL TOURISM AND ITS CONTRIBUTION TO RURAL DEVELOPMENT AND POVERTY REDUCTION IN RURAL AREAS

Rural tourism, while remaining a minority in the tourism market, already makes a valuable contribution to rural economies. This can be expressed not only in financial terms, but also in terms of jobs, contribution to funding conservation, encouraging the adoption of new ways of working and injecting new vitality into sometimes weakened economies. (Mahmoodi, M.; Roman, M.; Prus, P., 2022)

Overall, tourism can bring many benefits to rural developments which are detailed below.

Job retention is extremely important in rural areas where job decline is often endemic. Cash inflows from tourism can help retain jobs in services such as retail, transport, accommodation and food services, and medical care. They can also bring additional income to farmers and sometimes to foresters and fishermen. Job retention is not as politically prestigious as job creation, but by contributing to the viability of small communities, it is critical to the survival of marginal areas.

There can also be job creation when rural tourism is successful. This creation generally occurs in the hotel and catering industry but can also take place in transport, retail, information and heritage interpretation.

The development of tourism in the countryside promotes job diversification. Most rural areas have a low diversity of employment outside of agriculture and basic services. Greater diversity enriches rural society and helps maintain population levels.

Pluriactivity can be another useful by-product of rural tourism. Pluriactivity is the term used when an individual or family performs more than one type of work to earn a living. Thus, a part-time farmer can also rent rooms, help the local administration with service tasks or serve as a ski instructor. Sea anglers can take groups of tourists fishing, on whale-watching expeditions off Canada and the United States or on bird-watching trips off Ireland or the United States. Pluriactivity makes it possible to survive when there is a recession in a given sector. It is particularly important in the rural context because of the cultural importance of the family as the basic unit of many traditional societies.

Maintaining services is crucial in rural areas: rural tourism can help in three ways. Tourist information services can be provided through existing means such as shops, increasing their revenue if serving as an information desk is remunerated. Services can also benefit from the additional customers represented by tourists. Thus, the quality of public transport in the Austrian and Swiss countryside is partly due to the presence of holidaymakers. This additional customer base is not automatic, however: to make the most of existing potential, services often need to offer new products that will be available at different times and understand new markets. Finally, the importance of tourism to national economies can increase the political justification for subsidies to help maintain services.

Support for farmers is a major issue for all policy makers. Numerous studies have shown that farmers' incomes can be increased by rural tourism, by the provision of accommodation of all kinds, by the development of farm visits and other attractions, by the increase in the sale of farm produce and by increasing female labor force participation through additional non-agricultural employment. There are significant variations in levels of farmer participation in rural tourism across OECD countries, depending on region, size of farm, age of farmer and other factors. While surveys show that it is the economic benefits that primarily motivate farmers to engage in tourism activities, they also point out that many of them derive a social benefit, as visitors bring variety and companionship in a lifestyle that can be lonely and limited.

Logging is an important activity in many climatically marginal mountain regions. Forest regions have been victims of serious socio-economic problems in recent years, due in particular to the mechanization of tree felling and wood processing, as well as the fall in prices resulting from the reduction in demand of lumber. Rural tourism can help this sector of activity by diversifying the sources of income of forest communities when they become aware of the special qualities of the forest environment for recreation and when they develop them.

Landscape conservation has become an increasingly important form of heritage protection. Although it dates back to the establishment of Yellowstone National Park in the United States in 1872, the national park movement continues to progress and most countries now have a whole range of more precise designations for many types of landscapes. The landscape is of crucial importance for rural tourism - as indeed the arrival of tourists has become essential for the conservation of the landscape. It brings political benefits, can lead to economic gains and provide employment for the maintenance and restoration of traditional landscapes damaged by recreational activities.

Small rural settlement units have always been more at risk of losing their viability because they cannot sustain the many services that today require higher population thresholds for funding. Rural tourism can help these small units to survive, as they have a particular attraction for tourists, but this requires careful management.

Rural arts and crafts hold a special place in the cultural heritage of regions and nations. Many commentators have observed that tourism can help these activities both by recognizing their importance and by buying the handicrafts. The income flows from these activities have been well studied. The arts and tourism can support each other. Many communities now use arts and crafts festivals as a marketing mechanism to encourage visitors to come to their area.

Cultural services have always been restricted in rural areas. The absence of important facilities such as theatre, opera, music and art galleries was one of the many factors that encouraged the rural exodus. The festivals and other events described above have enabled certain rural areas to broaden their cultural contribution, bringing in artists and ensembles by financing them through the sale of tickets to visitors.

Conservation of nature, especially landscape, is a stated goal of most modern governments. However, it is an expensive operation. Rural tourism can add value to nature conservation in a monetary sense. Visitors are willing to pay to see nature: most reserves and many national parks that charge entry are successful. The extent to which the fee-based system can be extended is a hotly debated issue in conservation circles.

The historic built environment can benefit from rural tourism in two ways. Many historic properties now charge entry in order to maintain their buildings and the gardens and parks around them. In addition, important old buildings are decommissioned. Churches have lost their parishioners, castles have lost their wars, farm buildings have become too small for modern equipment, stations have lost their trains and canal warehouses no longer see barges passing by. The tourism industry usually allows these buildings to be used profitably and imaginatively: they can themselves become attractions.

Environmental improvements such as village paving, speed bumps or diversions, sewerage, garbage collection, can benefit from tourism revenue and political pressure from the authorities in

charge of this activity. These improvements help build local pride in their village, which is important for retaining existing people and businesses, and attracting new businesses and families.

Small fishing communities suffer greatly from the scarcity of fish, quotas and international bans on certain activities. They can sometimes successfully branch out into sport fishing, bird and seal watching, and boat trips, revenue from capturing whales for their meat.

The role of women in the rural community was once limited. Agriculture, forestry and mining were reserved for men. There were few jobs for women, who also rarely participated in local political life. The general emancipation of women, together with the opportunities offered by rural tourism, have done much in many regions to release the underutilized talents and energies of the female fraction of the population. Studies show that tourism businesses have increased the power of women both in the family and in the community. In Spain, Greece, France, Great Britain and Ireland, experience has shown how women's open-mindedness and adaptability to new ideas and working cooperatively have helped to shape and lead successful rural tourism projects. Developing the role of women could do much for the economic and social well-being of many rural areas.

New ideas and initiatives are essential if rural communities are to thrive well into the twenty-first century. Efforts to support agriculture, forestry and service provision through state subsidies have done much to instill a welfare mentality in the countryside. The new challenges and the fiercely competitive nature of the tourism market could on the contrary do much to encourage entrepreneurship and new methods. Experience also shows that rural tourism can serve as a catalyst for attracting new businesses of all kinds to rural communities. (Vanhove, N., 2015)

3. RURAL TOURISM AS A DRIVER OF LOCAL ECONOMIC DEVELOPMENT

Rural tourism with its multiplier effect, even being a minority in the tourism market of developing countries, already makes a valuable contribution to the local economy. This can be expressed not only in financial terms, but also in terms of jobs, contribution to funding conservation, encouraging the adoption of new ways of working and injecting new vitality into sometimes weakened economies.

Tourism is a fixed economic activity that requires movement from one place to another. Hence the involvement of several other sectors of the economy (transport, accommodation, catering, etc.) for its installation and operation. The induced effects of tourism go far beyond the tertiary sector to extend to the fields of industry and agriculture. (Bellini, N.; Grillo, F.; Lazzeri, G.; Pasquinelli, C., 2017)

Any investment, and more broadly any investment or consumption, leads to income currents generated throughout the circuits which tend to decrease due to the leaks which occur in the circuit. Indeed, it is enough for an investor to embark on a development project with the purchase of capital goods for the factories that produce these goods to also increase their production to meet the needs of customers.

We are there in a chain of cause and effect. What François Vellas called the multiplier effect. The multiplier measures the relationship between new investment and increased output and income. (Vellas, Fr., Becherel L., 1999)

It should be noted that the weight of the multiplier depends not only on the size of the activity or investment but also on the area where the investment is made: the wider the range of economic activities, the greater the volume of trade between these activities, the higher the multiplier number. If, on the other hand, activity is low and the tendency to import strong, the value of the multiplier will be low, as is the case in many developing countries. Leaks in the circuit then reduce the economic benefits arising from the multiplier and therefore the impact of tourism on the economy.

Tourism can bring several advantages to rural development such as the creation, preservation and diversification of jobs. The promotion of rural arts and crafts, nature conservation, protection and improvement of the environment, to name but a few, are also sectors very much affected by tourism development.

With all these advantages, and through a good understanding of the sector, rural tourism can serve as a catalyst to attract new businesses of all kinds to rural communities and thereby contribute to local economic development.

The creation and preservation of jobs is an extremely important condition in rural areas where job decline is often endemic. Cash inflows in tourism can help retain jobs in services such as retail, transport, accommodation and food services.

Most rural areas have a low diversity of employment outside of agriculture and basic services. Greater diversity will enrich rural society and help maintain people's living standards.

We cannot talk about rural tourism without talking about handicrafts. Indeed, the latter occupy a special place in the cultural heritage of regions and nations. Many professionals have observed that tourism can help these activities both by recognizing their importance and by buying local handicrafts.

The arts and tourism can support each other. Many communities now serve arts or crafts festivals as a mechanism for marketing to encourage visitors to come to their area.

In short, we would say that rural tourism has a considerable impact on the economies, societies and cultures of the different countries or regions concerned. It promotes development and can facilitate understanding between peoples. Unfortunately it does not only present advantages and one is led more and more to wonder if the development of a tourist industry is profitable or not for the host societies.

However, we are not unaware that the development of tourism, whatever the type, cannot be done without there being difficulties. The positive effects in terms of jobs, production and revenue are opposed by strongly negative effects: inflation, destruction of the environment, questioning of the traditional ethics of peoples, cultural shock, etc.

Thus, evaluating the positive or negative effects of tourism development becomes a task that is not simple as the measurement is delicate and the effects contradictory. These consequences are very often treated in a contradictory way. In this regard, we notice a certain helplessness of the local populations in the face of this tourism. (Roman, M.; Grudzien, P., 2021)

It should be noted that certain parameters must be taken into account both among tourists who rarely constitute homogeneous populations, and among the local population who sometimes have a critical view of this phenomenon.

Very often, and in almost all tourist destinations, the contribution of tourism to the economy is measured not only on the basis of revenue but also on the jobs created and the contribution to training at the local level. As for smaller areas, the effects of tourism could also be measured on jobs, but above all on its consequences at the social level.

There is an awareness at the national level that economic growth does not necessarily mean reducing poverty and that political commitments to reduce poverty can only be achieved if there is a concerted and specific effort to better identify the well-being of the poor.

In tourism and development planning, it should also be noted that tourism development cannot magically eradicate poverty except to alleviate or reduce it.

The poor are characterized by their lack of purchasing power and they are sometimes excluded from society and have little access to the education, health and other forms of social protection enjoyed by others in their society. Greater attention to poverty reduction through tourism is important as it emphasizes the multi-faceted nature of poverty and the relevance of addressing this poverty to a wide range of impacts that the tourism can have on livelihoods.

There is no doubt that tourism is undeniably an engine for the development of developing countries on all fronts; considering that its role in international trade tends to increase despite recent natural disasters and war which have affected tourist flows in several regions of the world.

However, organized tourism programs or individual trips cover multiple tourist destinations in more than one country, thus helping to strengthen regional cooperation and ties between countries.

Developing countries must above all put in place a common development policy, through tourism. Because tourism is one of the fundamental aspects of any coherent economic, political and social development policy in developing countries. Nevertheless, it is necessary, for a better development of tourism, to involve the other sectors of the economy, namely, agriculture, fishing, crafts of other related sectors.

However, we cannot talk about the development of tourism without talking about infrastructure. Infrastructure is indeed the key to tourism development.

It can thus be seen that the countries of destination hardly benefit from international travel; the situation is unfair and foreign operators take most of the value of the trip. We can talk about tourist domination and therefore we might be tempted to ask ourselves the question of knowing, where is this tourism, the great savior of local populations? (Goeldner, Charles R., and JR Brent Ritchie, 2009)

Tourism still does not manage to contribute effectively to the local development of several regions; the reason, one does not have to go to seek it far; all the means of production, accommodation establishments are under foreign control and it is common for a country for a competitive reason to allocate a tax facility at the level of investments that the situation then spirals out of control.

Having said that, tourism represents, in terms of the transfer of money from rich countries to poor countries, a greater share than the amounts granted by governments in the form of aid and that for these poor countries it is the most important source of foreign exchange earnings.

It should also be noted that in most of the poorest countries in the world, tourism represents more than 5% of GDP and 10% of exports according to the UNWTO. (UNWTO, 2004; UNWTO, 2017)

To this end, it is therefore necessary to encourage local investment in the hotel sector, either through policies allowing the creation of local businesses, in the form of private companies, cooperatives or associations operating in the tourism sector, which could produce hitherto imported goods and services, or through joint ventures between local companies and international companies.

CONCLUSIONS

No one can ignore today the capital role that tourism can play as a driving force for economic development. This sector contributes considerably to the contribution in foreign exchange, to the promotion of employment and to regional development. It can lead to profound social and cultural changes in the host countries.

The economic growth of underdeveloped countries is an important factor for the overall balance of society. Thus, the role that tourism must play to achieve this objective seems nowadays not to be negligible since the majority of countries have opted for the development of this sector which contributes to economic, social and cultural exchanges, directly with tourists and local populations. So, the development of tourism becomes an effective means of social development through its contribution in terms of jobs created and the improvement of family incomes. This is a start to any process of poverty reduction in poor areas.

In addition to this, the use of new technologies due to the evolution of the sector, often has positive impacts in other sectors such as communication, health

However, it should not be forgotten that the development of tourism can have negative social and cultural consequences. To this, we can cite the loss of values by a blinding imitation of visitors both in their clothing and in their eating habits.

Other social consequences, such as those resulting from drug addiction, child labor and prostitution, affect the population and can also tarnish the image of the place as a tourist destination. However, it is worth pointing out that many of the social misdeeds often attributed to tourism are perhaps due just as much to modernization, and in particular to the improvement and dissemination of the means of information and communication.

Very often, the consequences of the development of tourism are perceptible at the local level. Indeed, with the massive arrival of tourists, local populations are often trapped not only by overpopulation but also by the degradation of natural resources.

Especially since any development of tourism must be done reasonably without destroying the environment, it is not uncommon to notice that an anarchic development of tourist infrastructures irremediably leads to a degradation of the ecological environment. At the level of certain areas of developing countries, the remark made is that beaches and coastal areas are undergoing an enormous transformation, a transformation which will certainly have consequences in the future. We must also not neglect the behavior of some tourists who very often go after sites, either by photographing them (even if it is well marked no photo allowed), but also throw cigarette butts on the beach. This behavior, if it does not have immediate consequences, will have repercussions in the future of the ecosystem.

Understanding the complexity of the tourism phenomenon in rural areas requires a systemic approach. The characteristics of rural tourism are the result of interactions between elements

internal to a system (companies, tourists, intermediaries and rural space) but also the result of external interactions. In addition to the notion of system, other disciplinary fields are involved: economics to understand how exchanges are organized, sociology to understand social functioning, and geography to integrate the role of space.

We must remember that the consequences of tourism at the social level can vary not only from one type of tourism to another but from one place to another. Indeed, having become more demanding in terms of quality, tourists often force the hosts to comply with their request. Respecting the wishes of the tourist is all the more important as it affects the future of the image of the destination. The objective is therefore to satisfy the customer in order to build loyalty.

Everyone knows that in terms of economic development, tourists contribute fully to the level of the areas visited. Visitors indeed come with innovative ideas, they spend money locally, but also they come with their culture etc. Thus, the result is a mixture of cultures which very often results in mutual understanding, the destruction of prejudices and the possibility of living in synergy. Some visitors do not take precautions and do not pay attention to the damage they can cause both to the local space and to local traditions. Even if in majority, the desire of tourists nowadays is to better know the populations visited, some are still suspicious about a possible overlap with the populations visited. Contact with local populations is often non-existent or superficial, limited activity between the hotel and the beach, and very often beaches that are surrounded by tourist security.

Since we are talking about direct or indirect contact with visitors, attention must be drawn to the consequences of tourism on heritage; whether natural, architectural or cultural. In addition to the loss of traditional values, the consequences on unprotected historical monuments can be very serious. Indeed, it is very common to see traditional buildings replaced by modern buildings, a European architecture. And everyone knows that when local populations lose their traditional habitats, they lose with their way of life, customs and tradition.

However, it should not be forgotten that alongside all these misdeeds of tourism, there is a very important side which is that of helping local populations to better manage and enhance their cultural heritage. By visiting these places, some tourists contribute financially to the implementation of environmental and cultural protection projects. It now remains for the populations to become aware of the future of their heritage. Well-managed tourism with a well-protected heritage is the key to the success of the sector with a view to contributing to local development. Because, we are not unaware that tourism is one of the first sectors providing jobs and currency. If tourism develops, jobs are created and therefore unemployment decreases at the local level provided that the young people of the locality are recruited.

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