

The agritourism potential for rural development tourism essay



Development is critical and essential to the sustenance and growth of any nation. The main goal of each and every country is to reach overall development of the country. The term development encompasses the need and the means by which to provide better lives for people in a country. It includes not only economic growth, although that is crucial, but also human development providing health, nutrition, education, and a clean environment. However, in executing development is a complex issue and the basic perspective of it is equates development with economic growth.

According to the United Nations Development Programme (2009) development is ' to lead long and healthy lives, to be knowledgeable, to have access to the resources needed for a decent standard of living and to be able to participate in the life of the community.

Gboyega (2003) captures development as an idea that embodies all attempts to improve the conditions of human existence in all ramifications. It implies improvement in material well being of all citizens, not the most powerful and rich alone, in a sustainable way such that today's consumption does not imperil the future, it also demands that poverty and inequality of access to the good things of life be removed or drastically reduced. It seeks to improve personal physical security and livelihoods and expansion of life chances. Thus, development aims at improving important aspects of people's lives such as livelihood, security, environmental, physical and mental well being. Enhance in knowledge, experience and resources is helped people to build a better life.

The goal of development is to expand the capabilities of people to live the lives they choose to lead (Amartya Sen 1999). It is most appropriately

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defined with their active participation. Development is different from growth. It has broader and deeper meanings. Economic growth is necessary but not sufficient condition for development and hence it can be viewed as a multi-dimensional phenomenon. The major dimensions of it include the level of economic growth, standards of education, quality of housing, level of health, distribution of goods and services, and access to communication (World Bank, 2005).

Ingredients for development and economic growth are capital formation, human resources, natural resources, and technology/entrepreneurship. Capital formation is essential to invest in sectors with high economic output, saving capital, investing in infrastructure creates jobs directly and indirectly by attracting investors. Human resources are a key to development in any country. There is need to develop a mechanism to address lack of health facilities, lack of education, poverty, malnutrition, and disease. Human resource development is important if people are to make use of ICT for development. Natural resources are crucial in development. Development activities need to be harnessed more of their natural resources. It is imperative that they should improve farming techniques and develop better land ownership methods. Technology and entrepreneurship are important to developing countries to improve the know-how and know-what. Openness to ideas is important if any economy is to develop. The formation of regional and international blocks encourages technology and entrepreneurship.

Development should be a sustainable long-term condition for humanity's multidimensional well-being. It has been clearly explained in the Rio

Declaration, adopted by the United Nations Conference on Environment and <https://assignbuster.com/the-agritourism-potential-for-rural-development-tourism-essay/>

Development in 1992, held in Rio de Janeiro in Brazil as; “ Human beings are at the center of concern for sustainable development. They are entitled to a healthy and productive life in harmony with nature.” “ Sustainable” development could probably be otherwise called “ equitable and balanced,” meaning that, in order for development to continue indefinitely, it should balance the interests of different groups of people, within the same generation and among generations, and do so simultaneously in three major interrelated areas-economic, social, and environmental. Sustainable development is about equity, defined as equality of opportunities for well-being, as well as about comprehensiveness of objectives.

Not all the countries in the world have same level of development. While developed countries have reached higher level of development or standard of living due to better standards in their societies, developing countries have faced several issues and challenges along their way towards development. Developed countries are countries whose lives are patterned industry and have some specific characteristics like higher level of average per capita income, level of education, life expectancy of the population and also low level of population growth rate and death rate. Life style is based on the market economy and economic activities are mostly related with industry sector as well as export oriented. Furthermore, majority of the population lives in cities and there is relatively higher level of health of the population. Countries that have Human Development Index (HDI) of 0. 788 or over are in the category of developed countries. According to the IMF index of HDI released in 2011, there are 47 countries in the top quartile and classified as possessing a “ Very high human development”.

On the other hand several common negative characteristics can be seen among developing countries as well. These are preventing the development of those countries. Low levels of living are manifested qualitatively and quantitatively in form of low incomes, inadequate housing, poor health, limited or no education, high infant mortality, low life and work expectancy, and in many cases, a general sense of malaise and hopelessness are some of them. Moreover, low levels of productivity in many areas like labour productivity, agriculture or farm productivity. In addition, low level of industrial development, high unemployment, small domestic market, small amount of disposable income and uneven regional development, problems in institutional changes in land tenure, credit and banking structures, honest and efficient administrations and the restructuring of educational and training. Most of the developing countries possess high population growth potential characterized by high birth rate and high but declining death rate.

Rural development in developing countries

Rural development is an integral part of the national development of a country. Rural development actions are mainly and mostly to development aim for the social and economic development of the rural areas (Chigbu, 2012). Especially in developing countries, very high emphasis has been given to rural development, aiming to gain equitable and balance development throughout the country. Rural Development which is concerned with economic growth and social justice, improvement in the living standard of the rural people by providing adequate and quality social services and minimum basic needs becomes essential. The present strategy of rural development mainly focuses on poverty alleviation, better livelihood

opportunities, provision of basic amenities and infrastructure facilities through innovative programs of wage and self-employment.

Rural development generally refers to the process of improving the quality of life and economic wellbeing of people living in relatively isolated and sparsely populated areas (Malcolm, 2003). Although rural development has traditionally centered on the exploitation of land-intensive natural resources such as agriculture and forestry, due to changes in global production networks and increased urbanization have changed the character of rural areas. Increasingly tourism, niche manufacturers, and recreation have replaced resource extraction and agriculture as dominant economic drivers (Neil and David, 2009). The need for rural communities to approach development from a wider perspective has created more focus on a broad range of development goals rather than merely creating incentive for agricultural or resource based businesses. Education, entrepreneurship, physical infrastructure, and social infrastructure all play an important role in developing rural regions (Conn, 1996). Rural development is also characterized by its emphasis on locally produced economic development strategies (Malcolm, 2003).

Furthermore, rural development aims at finding the ways to improve the rural lives with participation of the rural people themselves so as to meet the required need of the rural area. As such, general people themselves have to participate in their sustainable rural development. When rural development is concerned, in one point of view it can be explained as the development consists of a wide variety of new activities such as the production of high quality and region specific products, nature conservation and landscape

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management, agritourism and the development of short supply chains (Knickel & Renting, 2000). These new activities in rural areas mean new income sources to local people. Therefore it is believed that, doing diversification and utilizing multi-functionality of agriculture and formation of agritourism can be used as a strategy to enhance rural development.

Rural Development and national development in developing countries

In developing countries, the rural development is one of the most important factors for the growth of the national economy. Desai (2009) has recorded “Rural Development is an important segment of national development”.

Developing countries are primarily agriculture-based countries and majority of the population are in rural areas. Agriculture contributes for a significant share of the gross domestic product (GDP) of those countries. Agriculture, mining, forestry, handicrafts, fisheries, poultry, diary and rural tourism are the primary contributors to the rural business and economy of developing countries.

However, in many developing countries sufficient amount of investment in rural sector doesn't take place (United nation, 2011). The rural sector is not able to contribute its full potential for the national development. For example, in the Asia-Pacific region in many cases governments implement national development strategies, including fiscal and trade policies, which are biased against agriculture and the rural sector in general. These policies are seriously affecting the livelihoods and entrepreneurial development of small agricultural producers, the landless and other producers in rural areas (United nation, 2011). As a consequence of the biased policies and budget

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allocations government institutions in most countries concerned have been unable to effectively promote agriculture and rural development through the provision of timely and adequate social and production services in rural areas making lesser contribution for the national development (FAO, 2008)

Not only in Asia-Pacific this problem exists in other regions of the world as well. The countries of Latin America and the Caribbean need to invest more and better in rural communities as their economic contribution to national development is twice as large as officially believed, according to a new World Bank report released recently. The report evaluates the effects of the rural sector on national growth, poverty reduction, and environmental degradation both in rural areas and the rest of the economy, as well as the public policies that can enhance its contribution to overall national development (Viveros and Morrison 2005). A study of Onyemelukwe (1981) on the assessment of the performances of the rural sector of the typical African country Nigeria in national development contexts has found out the critical role of the sector and the system effects of inadequate equipment of the sector for such role. The Nigerian situation is used to illustrate the prospects and the problems of the rural sector in most African countries.

Rural sector in Sri Lanka is mainly consisted of farming community. The agriculture sector is the cornerstone in Sri Lanka's economy with more than 70% of the population living in rural areas depending on agriculture for their livelihoods. Currently this sector contributes to about 18% of the Gross Domestic Product (GDP) and 30% of the employment (Central bank of Sri Lanka, 2011). Therefore, without taking into consideration agricultural development, we can't even imagine rural development in this country.
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What is Agritourism?

In general, agriourism is the practice of attracting travelers or visitors to an area or areas used primarily for agricultural purposes. In particular, it refers to farm enterprises and community events that showcase the activities and produce of rural families and the agricultural heritage of farming regions to travelers. Agritourism provides “ rural experiences” to travelers with the goal of generating revenues for farmers and surrounding communities. These experiences typically include a wide range of attractions and activities that take place in agricultural areas. Important ingredients of agritourism’s “ rural experiences” include open spaces, low levels of urban or industrial development, and opportunities for visitors to directly experience agricultural, pastoral, and natural environments.

Moreover, agritourism is a type of rural tourism. It is a combination of two complex industries; agriculture and tourism, to open up alternative income sources for the farmers as well as surrounding community (Wicks and Merrett, 2003). Brscic (2006) has explained agritourism as a special form of tourism which takes place within the family farm that symbolizes a specific form of business, giving a number of benefits to the families involved, with multiple impacts on the socio-economic relations and the space in rural areas. It is a form of farm diversification aiming some benefits from exiting farm resources. Agritourism can be also explained as an activity, enterprise or business that combines primary elements and characteristics of agriculture and tourism and provides an experience for visitors that stimulates economic activity and impacts both farm and community income.

Relationship between agritourism and rural development

Several research findings in many developed countries have shown that agritourism as a possible rural development strategy. For example, Haghiri and Okech (2011) discovered role of the agritourism in developing the economy of rural areas in the province of Newfoundland and Labrador, Canada. According to Demirbas Topcu (2009), agritourism is a new element for rural development in Turkey. Agritourism as an effective vehicle for rural development in the Canadian province of Saskatchewan (Dernoi, 2002; Weaver and Fennell, 1998). Study of Hightower (2011) recorded that “Agritourism is being used as a catalyst for additional income and triggering economic growth in rural areas.” Disez, (1999) revealed that agritourism represents and innovative activity taking place within the framework of rural development in Massif Central region in France. In Romania, agritourism is the best way for the preservation of traditions and customs in the rural areas, supplying a sustainable rural development (Mortan, 2006).

In some countries like Italy, Spain, Greece, Austria, Denmark, England, France, Germany, Ireland and Norway it is a growing sector with the policies of the governments aiming to benefit from it as a regional development instrument (DemirtaŸ Topcu, 2007; Frater, 1983). Rural tourism provides many benefits to local areas by bringing visitors to the region, increasing awareness for agricultural products and showcasing produce to the local and regional community. It can also provide incentives for local heritage and conservation groups to preserve unique heritage landscapes and built heritage. Most studies have highlighted the multiple benefits that agritourism brings to the farm, local communities, agriculture heritage and

natural resources (Fleischer and Pizam, 1997; Busby and Rendle, 2000; Ventura and Milone, 2000; Sharpley, 2002; Wicks and Merrett, 2003; Hegarty and Przezbórska, 2005; Fleischer and Tchetchik, 2005; Mitchell and De Waal, 2009).

Agritourism Research conducted in developing countries

A small number of researches have been conducted in some developing countries in Asia. Mayasia, Taiwan, Indonesia, Philippines, Thailand, and India are examples of such countries. When South Asian countries are concerned, the number of research is very few. India is the country leading in agritourism in this region.

According to Tiraieyari and Hamzah (2011) in Malaysia, there are potential benefits of agritourism for farmers and local communities in general. It further indicated that agritourism as an economic development instrument has great potential to contribute to rural development as Malaysia is one of the tourist countries with great potential to develop agritourism. As per the Council of Agriculture (COA) of Taiwan, after registering a decline of 1.9% of GDP in 2001, 173 Farms were established for tourism and this created huge impact in the development of rural areas of Taiwan such as chi-ching and Shwei-Li in Nantou County (Murangwa, 2010) A study on agritourism in Thailand notes that “ agritourism can utilize the agricultural holdings and products for the purpose of tourism such as scenery from paddy fields and vineyards, food and drink from agricultural products (vegetable, fruit, etc), souvenirs from local products (handicraft), and accommodations from redundant or vacated property to gain local development in area ”

(Cynthiaord, 2012). As reported by the South East Asian Regional Center for <https://assignbuster.com/the-agritourism-potential-for-rural-development-tourism-essay/>

Graduate Study and Research in Agriculture (SEARCA), in Manila Philippines, agritourism could be a niché tourism product that would help improve farm incomes provided a well-planned program is put in place. It will consolidate initiatives in agriculture and tourism sectors nationwide that contributed to poverty reduction, natural resources management, and rural development. (Aguiba, 2012)

A research in Chitwan District in Nepal found out the importance of agritourism for the rural development in Nepal. Agritourism is the concept of diverting the tourists to those rural areas, where there is range of agricultural activities, services and amenities provided by farmers and rural people attract both internal as well as international tourists in order to generate extra income for their business. The living standard of the farmers and rural poor can be raised by identifying high value-low volume crops, which have comparative advantages and by optimally utilizing the available resources for sustainable development (Maharjan, 2008). However, the available literature evidence that our neighboring country India has engaged in agritourism successfully. According to the research on “ Agritourism - the potential for sustainable development and growth” aiming to explore the scope for developing agritourism in India has been conducted by Raghunandan et al.,(2010). This research has concluded that there is potential for Agritourism in India to grow into an important source of income for the rural population if the development is focused on integration and participation. Furthermore, Agritourism has been identified as a source of generation of alternative income for farmers and local community, employment opportunities, reduction of gender bias and accelerate growth

rate by Chadda and Bhakare (2010) based on their research on Socio-Economic Implications of Agritourism in India.

Agritourism in Sri Lanka

Evidence on only one study related to agritourism and rural development of Sri Lanka was found as a result of the vigorous literature search during the study. One study is the research conducted by Senanayaka and Wimalaratna (2010) about agritourism and rural development in Sri Lanka with special reference to Nuwara Eliya District. They have found that the economic problems as well as development potentials remain in agricultural areas side by side in the country. Only a small fraction of the vast rural agritourism resource base is being utilized by the industry now with little or no benefits to rural people. Dedicated research work on agritourism will promote the sector with the participation of policy makers, rural communities and private investors on a sustainable manner while trickling down a reasonable fraction of the benefits to the rural people. This would diversify their agricultural livelihoods and improve their income and living standards.

As per the literature review, agritourism in most of the countries has a short history and it is at the developing stage (Maumbe, 2012; Choo, 2012; Bernardo et al., 2007). Several countries have the research findings mainly based on preliminary research and pilot studies. Therefore, there is definitely a need for future research to verify the preliminary findings of these researches especially in developing countries. Moreover, several researchers have shown that agritourism has lots of strengths and opportunities for the improvement of rural areas and rural development. However, those

researches have been conducted in specific condition which is unique to that
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particular country itself. Therefore, generalization of the findings to other countries is not so valid specially, for developing countries having lots of variations in geographical, political, socio-economical and environmental conditions. Not only the differences among the developing countries, there are several regional level differences even within a country. Furthermore, in a country, rural areas are different from each other. Thus, testing the level of contribution of agritourism for the rural development at provincial level is the best way to identify the real potential of it. Since a very few number of research have been conducted at provincial level in developing countries, there is a need for lots of research of this kind. Even though in Sri Lanka there may be a potential in this regard, no sufficient research have been conducted in this field. Therefore, this kind of research is highly important.

Problem statement

Sri Lanka is a developing country and there is a need to enhance the living condition of the people by developing the total economy of the country.

There is a gradual, but comparatively slow increase in GDP in the country for several years (Figure1. 1).

Figure 1. 1: Improvement of the GDP from 2002 to 2012 in Sri Lanka

Source: Central Bank of Sri Lanka, 2012

Sri Lanka tourism has contributed to the growth of total economy for several years. However, due to exist civil war during 2008-2009, tourism had being faced a declining trend. Along with ending the war in 2009, tourism industry restated to flourish and contribute for the national economy significantly. As

a result, by now it is one of the main contributors of the national income of <https://assignbuster.com/the-agritourism-potential-for-rural-development-tourism-essay/>

the country and expects to have further growth in future. The direct contribution of Travel & Tourism to GDP in 2011 was LKR219. 7bn (3. 4% of GDP). This is forecast to rise by 5. 6% to LKR232. 0bn in 2012. This primarily reflects the economic activity generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). The direct contribution of travel & tourism to GDP is expected to grow by 5. 7% per annum to LKR402. 4bn (3. 4% of GDP) by 2022 (Figure 1. 2).

Figure 1. 2: Contribution of travel and tourism to GDP from 2002 to 2022.

Source: World Travel and Tourism council, 2012

Moreover, travel & tourism generated 236, 500 jobs directly in 2011 (3. 0% of total employment) and this is forecast to grow by 0. 2% in 2012 to 237, 000 (3. 0% of total employment). This includes employment by hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). It also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists. By 2022, travel & tourism will account for 293, 000 jobs directly, an increase of 2. 2% per annum over the next ten years (Figure 1. 3).

Figure1. 3: Travel and tourism's contribution to employment opportunities from 2011 to 2022

Source: World Travel and Tourism council, 2012

Rural sector performs a significant contribution for the national development in the country. About 70 percent of Sri Lanka's population lives in its rural
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areas. In rural areas, main sectors that are helping for rural development are agriculture, forestry, fisheries, mining, art and craft and rural tourism.

Among these sectors, the most important one is agriculture. A large number of people in the rural sector engaged mainly in agriculture and allied activities.

Agriculture sector can generate regionally equitable economic growth, rural livelihood improvement, and food security through efficient production of commodities for consumption for agro-based industries. Since agriculture sector has multi-functionality, it can link with other sectors like tourism and form new opportunities for local and regional development. Considering the experience of other developing countries in Asia, it can be assumed that there will be a potential for agritourism for the rural development in Sri Lanka. Therefore, this study will answer the question “ does agritourism represent a significant and viable rural development tool in Sri Lanka?”

1. 3 Objectives of the study

The broad objective of this research is to explore the potential of agritourism for rural development in Sri Lanka with special reference to demand and supply issues. Specific objectives of this research are:

To find out the current supply of agritourism in the country.

To study the government policy interventions in tourism and agritourism sector of the country.

To identify and assess the visitors’ needs and satisfaction of agritourism of the country.

To find out the local residents' attitude towards impacts of agritourism economic and contribution of agritourism for rural development.

To find out the government officials' attitude towards impact of agritourism to the rural development in the country and also national and provincial level support to the development of agritourism as a sector of rural development.

To recommend ways and strategies to development of agritourism in Sri Lanka as a sector of rural development.

1. 4 Conceptual Framework

The aim of this research is to study the agritourism and its contribution for the rural development in the country. The main stakeholders of agritourism are agritourism providers, visitors, local residents and the government.

Figure 1. 4 shows the relationship of the stakeholder in agritourism and how agritourism links with rural development.

Agritourism providers supply the agritourism. They can be farmers, private sector companies or organizations. Agritourism supply can be conducted by adding tourism activities to the existing farm and arranging facilities for the visitors to come to the farm, see those activities and get some knowledge about them, spend leisure time at the farm. In supply agritourism three things are important. Things to see (farm animals, fruits, vegetables, Herbal plants) activities to do (feeding animals, milking cows, harvesting crops, climbing trees, picking fruits, threshing paddy) and farm products to buy (yogurts, curds, fruits, vegetable, jam jelly).

Visitors can be local or foreign people those who are ready to buy the agritourism services. They make demand for agritourism. They come to visit the farm to see things, get a rest, enjoy farm activities and sometimes study on farming, Farm stay for few days, visit surrounding villages, buy local art and craft items, see cultural shows perform by local people and pay for the farm goods and services they consumed. In this way agritourism provider can earn extra income and other returns from agritourism which is the main aim of providing agritourism. Improvement of the level of income and living standard of the agritourism providers (especially farmers) is the main aspects of agritourism business. Other important point regarding agritourism is the presence of other tourism attractions in the area. Other tourism attractions can act as a motivational factor for visiting the agritourism operation. Moreover, proper government interference through correct rules and regulations are essential to operate the agritourism industry smoothly.

Also, on the way, visitors can buy local products of nearby local residents, can visit other interesting places in the village like religious places, cultural sites, national parks, forests, waterfalls, traditional festivals, folk games. In this way, visitors can interact with local residents of the area. These interactions create economic, social-cultural and environmental that impacts for the rural development of the area. Furthermore, local residents can sell their products and labour to agritourism operation and earn some money. Enhancement of the level of income and living standard of local residents are the other aim of agritourism along the way to rural development.

The other important factor is the government attitude towards agritourism and intervention to rural areas where agritourism operations are available.
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Especially provincial and local level governments have responsibility to enhance the condition of the area up to a good stand making it suitable for conducting tourism activities. So that, provision of infrastructure facilities such as road system, transport facilities, water, electricity, telecommunication to the area have to be taken place. Not only that, banking facilities, safety and security, medical facilities for the area are also needed to be provided. In this way, provisions of infrastructure facilities directly help for the rural develop of the area.

Other Tourism Attractions of the Area

- Mass tourism

- Ecotourism

- Nature tourism

Agritourism

Rural Development

Other Sectors of Rural Development

- Forestry,

- Fisheries,

- Mining,

- Art and craft etc.

National Development

Visitors

Demand and Supply of

Agritourism

Local Residence

Government Policy

-National Level

-Provincial Level

-Local Level

Impacts of

Agritourism

Agritourism providers

-Economic

-Socio-cultural

-Environmental

Local Residents

-Economic

-Socio-cultural

-Environmental

Agritourism Providers

Private Sector Medium and Large Scale Companies

Local

Foreign

Farmers

Figure 1. 4 Conceptual Framework of the Study

1. 5 Scope and Limitations of the Study

This study has covered important aspects such as the supply of agritourism (number of destinations, scale of operation, available facilities, number of visitors, length of stay etc). Demand for agritourism (demographic information of visitors, nature of their demand, visitors' satisfaction towards agritourism, demand function) information of local residents (impacts of agritourism on them, their attitudes towards agritourism development) and policies related to agritourism development in the country. Agritourism is a business process. However, aspects like establishment, management, development, improvement, marketing and promotion of the operations are beyond the scope of this study.

There were few limitations in this research. This is a small-scale research conducted at local level with four types of stakeholder; operators, visitor, local residents and government officials within only few districts without the whole country. In terms of operators, some financial analysis like benefit cost

ratio, IRR of agritourism etc., could not be done as they did not want to disclose financial information d