

A STUDY TO REVIEW THE IMPACT OF RURAL TOURISM ON THE ECONOMY OF RURAL AREAS

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ABSTRACT

Tourism impacts the economy of the rural areas for both good and ill. This study reviews the previous studies on the development of rural tourism and investigates the influence of tourism on the economic condition of rural areas. Generally, improvements in rural livelihood diversity are attributed to most residents utilizing local tourism resources for the tourism industry, thereby boosting local residents' living standards. However, rural tourism development often induces both positive and negative influences simultaneously. Most rural tourism is planned, designed, and constructed by the operators themselves, so many resources are not used effectively, and disorderly development, repeated construction, and vicious competition appear in varying degrees. Even some places return to poverty because of poor management, which goes against the original intention of rural tourism development and is not conducive to the sustainability of rural tourism economic development. Even the income gap has emerged within the different rural area districts. It's a pity that such risks, as mentioned above, have not been pondered by many local governments and, indeed, are not reflected in local policies. In addition, practical implications are to be discussed in this paper to enhance tourism sustainable development and ensure the economy of rural areas sustainable development.

Keywords: Development, Economy, Guidelines, Rural areas, Tourism

1. Introduction

As urban residents are increasingly yearning for quiet pastoral life and a beautiful rural environment, rural tourism is born. In particular, Tourism as a strategy for economic growth has been one of the essential policies on the regional development agenda. In recent years, the development of rural leisure agriculture has made rural tourism increasingly popular.

Tourism, one of the largest and most profitable industries, has a significant impact on residents'

welfare, including job opportunities, economic growth, and infrastructure development. Furthermore, tourism is considered an effective method of achieving the rural areas modernization and an important economic development option that has the potential to narrow down the disparity between the poor and the rich(Pearce, 2013). In 2014, tourism generated nearly 8 trillion US dollars in revenue and about 300 million jobs, ranking first in the service industry. Therefore, tourism has become a good stepping stone to revitalize the rural economy(Ionela G. P., Constantin B.M. & Dogaru L., 2015). Often, this is also the result of the shortage of any other better viable alternatives for rural economy growth other than the agriculture industry, as well as small, family-centered businesses having low barriers to entry, which yet receive limited benefits and attention. Therefore, major decision-makers view rural tourism as a beneficial, appropriate development path to take.

However, reasons for stimulating the tourism industry as a rural economy growth initiative are always arguable for counter-reasons that oppose this strategy. For example, while tourism has been viewed as a beneficial tool to create more job opportunities and locals' incomes, thus reducing rural talent drain, it is also blamed for low wages and notably just seasonal unstable employment conditions, which rarely serve target populations that are most urgently in need. When someone claims that developing tourism is environmentally friendly, dissenters rebut that it degrades valuable and finite natural resources.

This paper attempts to find out the impact of rural tourism on the rural areas' economy using previous studies on the rural economy. Also, some practical implications for rural community sustainability development are discussed.

2. Review of Rural Tourism Effects

2.1 Rural Tourism Positive Effects

As a valuable tool of economic growth, rural tourism dramatically contributes to rural development by providing many economic opportunities and increasing rural families' income. To explain this, researchers found that ways of tourism participation advance progressively with the development of the tourism industry. During the early stage, job opportunities in the rural tourism industry are mainly generated in construction projects and transportation services. Then, with rural tourism moving forward, it enables residents of different genders, ages, educational backgrounds, or working skills to engage in full-time or part-time jobs. For example, a wide variety of employment includes cleaners, guards, ticketing staff, tour guides, etc.

Moreover, more flexible self-employment businesses also become available for rural residents, like selling local specialties as souvenirs, running rural-styled hotels, agricultural-related tourism programs, and providing tourist parking lots. Especially in this technological age, economic

effects are not confined by the duration of visitors' trips. Though tourists may not visit the rural areas for a long time, many of them continue to order local products online after their trip with the convenience of mobile devices, the internet, and e-commerce.

Tourism development in rural areas also influences other industries, such as agriculture, fishing, forestry, livestock raising, food processing, and handicrafts, contributing to the entire community's well-being (Muresan et al., 2016). Instead of replacing conventional economic activities in rural areas, tourism becomes an additional option for rural residents, providing them with more access to extra income through utilizing existing natural resources but without large amounts of inputs (Kheiri & Nasihatkon, 2016). Consequently, rural tourism has always been deemed as a productive policy of rural development and revitalization. It has also been widely advocated and expected to address existing problems, including the loss of traditional culture, exhausting natural resources, and draining the rural labor force (Kheiri & Nasihatkon, 2016). Moreover, there is a fact that locals' knowledge and skills fostered in traditional livelihoods can be applied to practical use successfully when rural participants engage in the tourism industry by offering visitors a more authentic village experience and enhancing their destination attachment (Su et al., 2017).

Determining the positive impact of rural tourism on rural areas will provide a basis for further investigations of the unique advantages of rural tourism development. For example, rural tourism organically integrates agriculture and tourism and takes advantage of the special tourism resources of agricultural landscape and rural natural environment to attract a large number of tourists. The development of rural tourism has promoted the adjustment of rural industrial structure, improved the overall quality of farmers, narrowed the gap between urban and rural areas, protected rural culture and rural environment, and promoted the construction of new countryside and social harmony. The unique advantage of developing rural tourism is that tourism development suits the rural reality, obtains economic benefits from diverse aspects, and promotes the sustainable development of the rural economy. Therefore, the rural tourism policy has been widely advocated and praised as an important way, particularly for developing countries, to promote rural development and achieve poverty reduction goals (Muresan et al., 2016).

2.2 Rural Tourism Negative Effects

Tourism exerts favorable effects on rural communities, but these effects are not always regarded as positive as expected.

For one thing, opponents doubt tourism's suitability as an economic development strategy for many rural communities. Many previous examples and analyses in the literature are presented to demonstrate that this development path may not be suitable for many rural regions. Logically, not

every rural locale is in need of employment opportunities and income promotion, which means many of them are not desirable candidates for rural tourism development path. Moreover, when rural family members are busy with the tourism business at the peak season, there is a conflict between the urgent need to conduct agricultural practices and the busy tourism work.

For another, even worse, some rural tourism resorts which are associated with more interest sometimes lead to the displacement or relocation of some communities, while ignoring people's real needs and interests in corrupted economic systems (Sirima & Backman, 2013). Previous studies on the rural tourism industry have also introduced previous cases that show that tourism contributions to farmers' incomes and return on their investment are low (Sanches-Pereira et al., 2017), and participation in tourism in some rural areas sometimes enlarges income gaps and breaks their ties among rural communities (Su et al., 2016). As key rural tourism stakeholders, communities, and their livelihoods are critical to tourism sustainability and regional development. However, limited attention has been paid to the relationship between community livelihoods and tourism development and how their interrelations influence environmental and economic sustainability.

All in all, when faced with desirable significant economic gains, these challenges should be taken into account and considered seriously by practitioners.

2.3 Welfare Effects

Firstly, compared to the agriculture industry and small, family-centered businesses, a relatively low investment yields a relatively higher gain. Secondly, the cost that farm-intensive labor may risk in rural areas is meager. Such labor is usually unable to compete in national markets because of constraints of physical distance and their skills. Thus, the benefits from rural tourism to farm labor are noticeable otherwise the alternative option is to face an unemployment dilemma.

Finally, what is seriously ignored by the majority of people is the fact that much employment created at low cost is female employment (Fleischer et al., 1993). This viewpoint is further verified on social welfare grounds for reducing the income disparity between males and females. Generally, farm-based tourism businesses encourage female participation in the laborforce. In the alternative situation, many female workers cannot work outside and would always be considered household dependents for stereotype, especially in rural areas. This examination shows that even small tourism-based enterprise's support can yield social and economic returns. Such effects undermine the potential of rural tourism development to enhance local livelihoods and rejuvenate rural economies (Sharpley, 2002).

3. Discussion

3.1 Discussion about Tourism and Agriculture

It is noteworthy that tourism is seasonal, leading to seasonal different demands for the labor force numbers and other resources to serve this industry. As a result, the overlap of agricultural and tourism seasons is a key factor influencing tourism development in rural areas.

As research shows, the peak tourism season is mainly during the summer months, which is not the busy season working for agriculture. Therefore, the responsible should confirm that there is less conflict in engaging in these two activities simultaneously. Also, when they are occupied with tourism work at the peak season, tourism participants have another excellent choice to hire a labor force to help them with agricultural practices. In this respect, the conflict between tourism and agriculture development is dealt with, ensuring maximizing both major activities' economic effects.

3.2 Discussion about Tourism and Sustainable Development

Nowadays, greater attention is being paid to environmental conservation. A damaged environment, over-utilized resources, and outdated, corrupt local cultures are all plausible factors resulting from ill tourism promotion.

Hicks Lindahl, a contemporary scholar, introduced the "sustainable development" concept into economics. He believes that "sustainable development" in economics refers to maximizing the net benefits of economic growth while maintaining the quality of natural resources and providing services (Barbier, 1987). Scholars generally believe that economic development is the core of sustainable development, and define economic development as economic growth without reducing the quality of the environment and damaging the world's natural resources. In other words, it refers to the rational use of natural resources and the protection of ecological balance while achieving long-term and stable economic development. Therefore, effective allocation of resources, scientific planning and construction, and highlighting folk characteristics are the keys to balance these two developments simultaneously and harmoniously.

4. Conclusion and Recommendations

The rural lifestyle and various agricultural practices serve as a rural tourism attraction, particularly to urban residents. According to the survey conducted by Su (2019), it shows that the majority, whether they participated in tourism or not before, support tourism development (96.9%) and obviously share positive attitudes toward its promising future (87.7%). This is a high recognition of tourism's positive impacts on rural areas' economic condition. Her paper also reports there's a conspicuous boost in rural family income (68.9%).

As stated before, tourism has increased sales of agricultural products, enhanced their local products and specialties' popularity, as well as supplied employment opportunities for a much larger local labor force. More importantly, when consumers' trust in the quality of the agricultural products is enhanced, tourists have the potent purchaser chases online in the long term. In this way, rural residents can provide more services to support local tourism development, embodied in accommodations and facilities to meet tourists' use, and also their own family's agricultural products consumed by tourists.

Essentially, except for more tourism employment opportunities, rural tourism development arouses other related businesses, thus bringing many local employment opportunities, for instance, construction and renovation, bringing additional benefits to rural communities. The prime example is the increasing number of infrastructure enhancement projects, such as highways, other public transport, and more modern facilities. In this way, rural tourism development also reduces the residents' need to migrate to the metropolis for work, which retains the youngsters in the villages. Many rural couples have chosen to stay in their hometown village, running their own tourism operation while taking care of their children as well as aged parents, thus improving family ties and, more importantly, social stability. As a result, with the development of rural tourism, local living standards are increased and will continue to grow.

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