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Economic aspects of sustainable agritourism development

IVAN TODOROV
SWUNR, BLAGOEVGRAD, BULGARIA



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1. INTRODUCTION

- The concept of sustainable development has gained popularity since it reconciles the opposing standpoints of environmentalists and developers.
- Sustainable agritourism is an area of where the views of environmentalists and developers meet although each group heavily criticizes the ideas of the other group.
- agritourism can reduce poverty but the overuse of natural resources for the agritourism activities may have a negative impact on environment.
- The balance between development and environment is delicate and should be maintained
- This lecture has two objectives:
 - 1) To analyze the emergence and the evolution of the concepts of sustainable development and sustainable agritourism;
 - 2) To outline the economic dimensions of sustainable agritourism.

2. THE CONCEPTS OF SUSTAINABLE DEVELOPMENT AND SUSTAINABLE AGRITOURISM (SLIDE 1 OF 3)

- The concept of sustainable development is an attempt to incorporate the environmental perspective in economic policies, which pursue development goals.
- Sustainable development's purpose is to keep the balance between environment and economic development.
- Definitions of sustainable development:
 1. "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Brundtland Report, 1987);
 2. "Utilization of natural resources in such a way which will maintain the balance between economic development and environmental quality and keep on generating the economic goods and services" (Manning and Dougherty, 1995).
- The idea of sustainable agritourism has arisen from the concept of sustainable development.

2. THE CONCEPTS OF SUSTAINABLE DEVELOPMENT AND SUSTAINABLE AGRITOURISM (SLIDE 2 OF 3)

- In the early 1970s, the appearance of the concept of sustainability gave birth to the idea of the limits to growth (**Meadows et al. 1972**).
- Definition of sustainability: “a human decision bound within some temporal, spatial scale and directed towards selected features of the material system” (Allen and Hoekstra, 1992 and 1994).
- The terms “sustainable development in the context of agritourism” and “sustainable agritourism” are not identical (Butler, 1999).
- The former designates agritourism that will keep the sustainability of a region, will not make any harm to the environment and will allow the successful development of other activities.
- The latter has many interpretations, for example a strong one and a weak one.
- Strong sustainable agritourism can be defined as „an ill defined perception of a need to become more environmentally conscious than the traditional resource exploitation” (Butler, 1999).
- Strong sustainability is a radical view, which has few proponents and recommends reduction in economic activity, population level and technological innovation.

2. THE CONCEPTS OF SUSTAINABLE DEVELOPMENT AND SUSTAINABLE AGRITOURISM (SLIDE 3 OF 3)

- The majority of academics support the so called weak sustainability (weak sustainable agritourism), which combines both environmental and development goals.
- Sustainable agritourism has three important dimensions:
 1. Natural (environmental, ecological) dimension;
 2. Social dimension;
 3. Economic (developmental) dimension.
- These three dimensions are both distinct and interrelated.
- Definition of sustainable agritourism: "agritourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities" (World agritourism Organization <https://sdt.unwto.org/content/about-us-5>);
- Sustainable agritourism implies a minimum impact on environment and local culture, creation of employment in local communities and protection of local ecosystems.

3. ECONOMIC DIMENSIONS OF SUSTAINABLE AGRITOURISM (SLIDE 1 OF 4)

- The goal of development was first formally enunciated by the US President Truman in his Inaugural Address on 20 January 1949 (https://www.trumanlibrary.org/whistlestop/50yr_archive/inagural20jan1949.htm)
- Truman proposed sharing American scientific and technical expertise for the purpose of reducing or eliminating poverty in the developing world.
- Till 1987, economic policies were focused on creating employment and reducing poverty but did not take into account the impact of economic activities on environment.
- The Brundtland Report (WCED 1987) recognized poverty as the main cause of environmental degradation and integrated the environmental and developmental perspectives in a syncretic whole – the concept of sustainable development.
- The idea of sustainable agritourism originated from the concept of sustainable development and reflected the fact that agritourism-related activities are one of the major sources of human impact on nature.
- An alternative development model (the human development theory of the Indian economist Sen) appeared in 1990s.

3. ECONOMIC DIMENSIONS OF SUSTAINABLE AGRITOURISM (SLIDE 2 OF 4)

- According to Sen's theory, human development should be measured not by the average level of income but by the people's abilities to lead the lives they value.
- The Human Development Index combines indicators of life expectancy, literacy and income and ranks the countries in the world.
- The goal of the Economics of Sustainable agritourism (EoS_T) is to study how agritourism and economic development can move closer to the ideal of sustainability from an economic standpoint.
- On the basis of economic theory EoS_T explores the effects of agritourism on local communities, identifies the determinants of sustainability and proposes appropriate policies for stimulating sustainable agritourism development.
- Sustainable development may be seen as the necessary tool to discover the balance between the growth of economy, environment and society (Ferrell, 1992).

3. ECONOMIC DIMENSIONS OF SUSTAINABLE AGRITOURISM (SLIDE 3 OF 4)

- Environmental pressure results from an increase in the demand for scarce resources.
- “Poverty is the greatest polluter” (Indira Gandhi,1972)
- “Poor people have no option but to pressurize environment in order to attain immediate economic benefits at the cost of long-term sustainability of development” (Barbier,1987).
- The concept of sustainable development is not in conflict with the concept of economic development (Owen, Witt and Gammon (1993)).
- Economic progress is crucial for alleviating poverty, improving the value of life and protecting environment.
- Sustainable development is more emphasized by the developed countries but they reached high living standards by unsustainable use of natural resources in the past.
- Poor countries need economic development but are dependent on natural resources which are already under great pressure (de Kant, 1992).

3. ECONOMIC DIMENSIONS OF SUSTAINABLE AGRITOURISM (SLIDE 4 OF 4)

- Positive economic effects of agritourism on the host community (agritourism destination)
 1. Improvement in the standard of living;
 2. Consumption of local products;
 3. Diversification of the economy;
 4. Creation of employment
 5. Poverty reduction.
- Negative economic effects of agritourism on the host community (agritourism destination)
 1. Replacement of the traditional form of employment;
 2. Increase in prices (inflation).
- Sustainable agritourism maintains the balance between economic development and environmental conservation along with preserving the socio-cultural identity of the local communities.
- It aims to generate income and employment with a minimum impact on environment and local culture.

4. CONCLUSIONS

- Sustainable development and sustainable agritourism are heavily debated concepts.
- The term “sustainable development” suggests balance between environment and (economic) development.
- Environment and development are the two main dimensions (aspects) of sustainable development.
- agritourism has both positive and negative impact on environment, economy and culture in the host community (the agritourism destination).
- Development should not be perceived only in economic but also in social, environmental and moral sense.
- Sustainable agritourism contributes to the entire sustainable development of the host community (the agritourism destination).
- Environment and development can co-exist in peace only when the balance is maintained between environmental conservation and economic development.

Thank you for your attention!