

The Role of Rural Tourism in the Development of Economically Backward Regions, the Example of Georgia

Salome Bestaeva, PhD student Grigol Robakidze University, Georgia

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Abstract

Tourism is the most dynamic direction of the economy, and its role and importance in the world are increasing daily. The growth of the economic, social, and cultural importance of tourism determines the development of individual countries because tourism is a complex business direction, the development of which leads to the possibility of sustainable economic growth. Tourism has many directions, among which is rural tourism. Tourism in rural areas has a special place in developing rural regions and solving socio-economic problems because the local population no longer has to leave the village to get better working and living conditions. It should be noted that, in developed countries, tourism is used as an economic tool in rural areas to solve the problems of mountainous regions and the population living there. In addition to economic benefits, tourism development in rural areas has inestimable importance in preserving rural regions' cultural and historical identity. Tourism business development in rural areas is very important in recovering the local population. According to the recommendation issued by the United Nations, it is necessary for the population living in the city to spend 3-4 months of rest in nature. The purpose of our research is to study the economic and social problems of the rural population in the example of Adjara, Georgia, as well as to determine the role of rural tourism in solving the problems in rural areas.

Keywords: Importance of rural tourism development, Rural areas, Social and economic problems of the village

Introduction

The development of tourism business in rural areas has a unique opportunity to develop the economically backward regions, in the case of developing the natural, cultural and historical resources there into tourism products thus, it will also contribute to the preservation of the national, traditional and historical identity of the country. The population living in rural areas traditionally preserves national traditions the best. Therefore, the employment of the local population in rural areas is a prerequisite for the survival of ethnocultural features.

Tourism business development in rural areas of Georgia is especially relevant for mountainous Ajara because the proximity of sea resorts located in the region to mountain regions allows attracting local and foreign tourists to rural areas.

The article is based on international experience in developing rural tourism business. In this respect, the Scandinavian countries stand out, especially Norway, where rural tourism plays a decisive role in the economic and social well-being of the village, as well as in the preservation of cultural, ethnographic, and historical values.

The development of tourism business in rural areas also contributes to the recovery and recreation of the local population. Thus, promoting rural tourism among the urban population and forming appropriate tourism products in rural areas will contribute to forming a healthy population.

From a methodological point of view, the paper is based on research carried out in Adjara, according to previously developed methods and sampling, the purpose of which was to determine the role of tourism business in rural areas.

Literature Review

Rural tourism is used in many countries as an economic tool for developing backward and less developed regions. There are many ways to solve economic and social problems in rural areas, including rural tourism. Sharing the Norwegian experience in the formation of tourism in rural areas is especially important for us because Norway and Georgia are traditionally farming states, where the village not only has a traditional meaning but is the basis for preserving the cultural and historical features of the country as a whole.

Since 1980, the processes of globalization have had a negative impact on the economy of rural regions in many countries of the world, as a result of which many farm households have gone bankrupt. As a result, the migration of the rural population to the city has increased. The main cause of these negative processes was a significant decrease in demand for goods and services produced in rural areas. In this regard, the Ministry of Agriculture in Norway adopted a government program that supported private homesteads and formed a tourism business with the resources available on their base. Government support programs for developing tourism business in rural areas have contributed to the creation of many exotic hotels in Norwegian villages, which are very popular among the Norwegian population and foreigners. Creating such exotic and unique hotels contributed to developing agriculture, road infrastructure, transport, and other related areas in Norway. Tourism in rural areas, in general, became the main prerequisite for the social and economic development of the region. (Edda Espeland, 2016)

On the website of the Norwegian organization "HANEN" (https://blimedlem.hanen.no/), which unites rural tourism business farms and all organizations involved in it, information is provided on the advantages of joining this organization for those farms that are engaged in the formation of rural tourism business. Among the advantages of joining this organization are: the organization has contractual relationships with bitumen suppliers, based on which it can supply products to its members at much lower prices, the organization has an agreement signed with the most successful insurance company in Norway, which also allows farmers to save on insurance costs, HANEN members They have the opportunity to place their ads with special discounts in such magazines as "Lev Landing" and "Mat fra Norge". Members of the organization also have the opportunity to receive discounts when using reservation systems and programs. Sharing the mentioned experience is a fundamental issue for developing tourism business in rural of Adjara. (Hanen. Medlemsfordeller, 2016. areas https://blimedlem.hanen.no/)

The organization HANEN's website (<u>https://www.hanen.no/en</u>) also contains a statute that conveys the organization's main goals. The main goal of the mentioned organization is to promote tourism based on farms and homesteads, protect the interests of homestead owners, establish standards, and control quality. (Hanen. Vedtekter For Norsk Bygdeturisme og Gardsmat. https://www.hanen.no/en)

Sharing the Norwegian experience of rural tourism business development is very important for Adjara; in this regard, another interesting work is the book by John Egeland and Solberg T., which presents authentic rural tourism products based on the Middle Ages. At the tourist sites in the book, buildings, courtyards, interiors, and exteriors have been preserved as much as possible in their original form or restored in the medieval style. The creation of tourism in rural areas based on such homesteads ensures the sustainable development of tourism in the rural region. Sharing the Norwegian experience in the selection, development, and financing of the appropriate homesteads for developing rural tourism business is a unique method of rural tourism formation, which is very important to consider in Adjara. (John O. Egeland, Solberg T.2007)

Many European authors talk about the great importance of tourism development in rural areas in their works, which was also important for us to share.

Interesting material for sharing international experience is the work of Marie Kavli and her colleagues, which deals with the development of rural tourism business in Ireland under the conditions of globalization, where 57 rural farms and 23 related organizations are involved in the rural tourism business. The article talks about the importance of uniting the mentioned organizations to succeed in the international market, the formation of niche rural tourism products and the importance of implementing unified marketing. (Cavley M. Gaffey S. Gillmour D.A.2002)

The book "New Directions in Rural Tourism" edited by Derek Hall describes various aspects of rural tourism business and theoretical aspects of rural tourism business formation. The work also covers the appearance of new directions in said tourism. The study of the mentioned directions is particularly interesting in forming a rural tourism business in Adjara. The book also contains some important researches in rural tourism business.(D. Hall, Roberts L, Mitchel M. 2005)

Julia M. Frater's paper presents the key issues in forming European farm-based tourism businesses, such as establishment, development and promotion of tourism businesses. The work also discusses the experience of Britain and other European countries in the formation of rural tourism business, which is very important for us as one of the first scientific works on rural tourism.

While working on the article, we studied the issues of business, marketing, and innovations in the formation of tourism in rural areas, as well as the issues of education and training of the rural population, as a prerequisite for the formation of sustainable and intensive tourism business in rural areas. Rural tourism is an interesting and innovative opportunity to develop rural regions and give them a new historical meaning.

Methods

We chose the quantitative research and analysis method to study the social and economic problems of the villages in Adjara, Georgia. As a result, we developed a questionnaire that included all important issues and the answers that allowed us to analyze and compare. The research was conducted in the municipality of Keda, and a total of 158 homesteads were surveyed through random sampling. The research was quite large-scale and covered all homesteads characteristic of the region. As a result, we collected infallible and in-depth material, as a result of which we investigated the causes of social and economic problems in rural areas, as well as got acquainted with the natural and cultural resources in the region, which are necessary for the sustainable development of tourism business in rural areas.

Results and Discussion

Rural tourism has long existed in developed European countries as an economic tool for rural development. During the strategic planning of tourism, many developed countries give a great role in the development of tourism in rural areas therefore, the sustainable and intensive development of tourism business in rural areas in European countries is based on scientific research based on which state regulations and recommendations are created for the proper development of tourism business in rural regions.

In the modern world, globalization greatly impacts the country's economic and social life. In the course of the last 50 years, the principles of state organization, country management, and business development have changed significantly; an in-depth analysis of these issues is necessary during the development of rural tourism business because globalization and related socio-economic factors have a direct impact on the success of rural tourism business.

Globalization is the integration and unification of cultural, economic, and social processes in the modern world.

Globalization processes during the development of specific business activities have both positive and negative aspects, which are vitally important to consider during the planning and organization of sustainable development of tourism business in rural areas. The integration processes, which the rapid development of globalization has caused, face new challenges every day. Even in the world's leading countries, it is difficult to maintain national, traditional production and strengthen the national currency every day. In globalization, it becomes more and more challenging to preserve national and cultural characteristics and identity. However, globalization is irreversible, so we must learn to maintain economic stability and sustainability in a changing environment.

As a result of integration and unification, Georgia faced new international requirements, which are quite difficult for developing countries to meet. To compete with other developed countries, our country will have to meet the standards and requirements set at the international level, which in itself complicates business development processes and, at the same time, increases the cost of a specific product. Despite many negative factors, globalization should be understood as a new opportunity to produce unique and niche products that can compete with other similar products on the international market.

To establish oneself in the conditions of globalization, first of all, appropriate legal regulation, tax policy, and economic stimulation of small and medium-sized businesses are needed, and priority should be given to rural regions and the restoration of traditional farming.

Consider the consequences of globalization in the Adjara region. During the Soviet Union, the Adjara region was the main supplier of citrus and tea to other republics of the Union. Therefore, the Adjara region held a niche position while selling the mentioned products. After the collapse of the Soviet Union, citrus and tea appeared in these markets, which were imported from other countries at a lower price. Therefore, Adjara lost its niche position in the key markets of its products. Georgian products could not compete with goods imported from other countries. Therefore, citrus and tea production decreased in Adjara. In the initial stage, it was difficult for the rural population of Adjara to find new markets, which turned out to be very difficult due to the political and challenging economic situation at that time.

The stoppage of local production in the Adjara region led to the migration of the rural population to the city and abroad in search of jobs, the villages became empty, and the population forgot the traditional economic and cultural life.

Georgia was traditionally the homeland of agriculture. Agriculture and working on the land were not only a source of economic income for Georgian people, it was an expression of history, culture, and tradition. Working with the land was related to ensuring the well-being of the vineyard and maintaining its identity. Georgian people's love for the land is expressed in the diversity and culture of agricultural activities. As a result of globalization, the country faced the danger of forgetting the said tradition.

The main goal of the formation of any economic activity is to create jobs and ensure the well-being of the population. The presence of jobs leads to a stable economic and social environment. In recent decades, the issue of employment in rural areas has been one of the main problems. The level of employment in the rural areas is low, and the wages for the existing jobs are also very low. Therefore, the villages are almost empty of young people, which has a negative impact on the preservation of traditions, culture, and history there.

The main goal of sustainable tourism business development in rural areas is to return the population to the village. For this, it is necessary to carry out important measures in the direction of tourism development and creating new jobs. For the sustainable and intensive development of tourism business in rural areas, it is necessary to involve the local population to restore cultural and historical features which are exciting and attractive to tourists.

Disruption of traditional agriculture, unemployment, migration of newcomers, and a general decline of interest in the countryside caused the forgetting of the problems and traditional cultural characteristics in the villages of Adjara. I would like to mention here that the authentic style of residential and commercial buildings, typical of Adjara, necessary for developing tourism business in rural areas, is distorted by modern constructions, which makes it uninteresting for the development of tourism business in rural areas.

The diagram below (diagram 1) shows the level of unemployment in the region we investigated, which clearly expresses the socio-economic situation in this community.



Daigram 1. Level of unemployment in the Researched region.

As a result of our research conducted in rural regions of Adjara, Georgia, it appeared that half of the population living in rural areas is unemployed - 50.71% and 20.29% are pensioners. From the above, we can conclude that there is a problem with employment in rural areas, which leads to the economic and social problems that exist in rural areas today. Many of the population is looking for new working conditions to meet their daily, necessary physical needs. There is little youth among the rural population; most have gone to study and work in the city. According to the information received from the respondents, they no longer return to the villages for permanent living, which makes Georgian villages lose the tradition of living on the land.

Our research aimed to first identify the difficult economic situation in the villages of Adjara, Georgia, and simultaneously study the international experience in solving similar challenges in rural areas.

Rural tourism as an economic tool has been actively used in solving rural problems since the end of the last century in Norway and Spain. That's why

we studied the experience of the mentioned countries in solving rural problems, the sharing of which is critically important for the Adjara region of Georgia.

Norway is exceptionally rich in natural resources, it is rich in wide and open landscapes, untouched forests, fjords, and lakes. Norway is particularly attractive for its unique building style and architecture. The traditional activity of the Norwegian people was farming life, nowadays, tourist facilities have been created based on these farms and homesteads, which are on the national monument protection list of the country, as an expression of authentic and unique Norwegian culture.

For us, sharing the Norwegian experience of rural tourism business formation is very important because the Norwegian model of rural tourism development is the most acceptable for Georgian, private Adjara villages. Since the eighties of the last century, global processes have had a negative impact on the development of agriculture in Norway. To solve the mentioned problem, the Ministry of Agriculture of Norway developed a rural promotion program, which aimed to receive additional income for the population by receiving tourists based on the resources available on private homesteads in rural areas. However, due to the inefficiency of the mentioned program, the farmers refused to participate in the mentioned program. One part of the farmers created the organization Norwegian Entrepreneurs' Union (NHO), and the other part the association of owners of tourism businesses on private homesteads - an organization called "HANEN". The main function of the mentioned organization became the general marketing of the tourist facilities that are members of it. However, even this organization could not get the effect that the farmers wanted because they did not have the appropriate knowledge and qualifications. Later, the organization Innovasion Norge (former Export Council of Norway) helped the said association. They created a special program that took into account financial and professional assistance for farmers. With the help of the mentioned organization, outstanding, interesting farmsteads in rural areas were selected, which were transformed into tourist facilities. In the financing program selected by specialists, the work plan and criteria according to which preference would be given to a particular homestead were detailed. (Preference was given to the history of the homestead, its age, the traditional architecture of the buildings on the homestead, the level of education of the population living in it, their knowledge of traditional handicrafts, etc.)

Thanks to Innovasjon Norge, courses were created to train and improve the skills of farmers, and the population living on the homestead was trained. Due to the effective work of the mentioned organization, Norway has earned a name as a country of exclusive rural tourism, where the service standards and quality are very high. The organization "HANEN" is still successfully functioning. Its functions have increased nowadays, and it includes the creation of uniform policies and standardization, improvement of reservation and service systems, and positioning in target markets. Since thousands of homesteads, tourist facilities, and families are already involved in the mentioned organization, the costs of implementing the mentioned activities provide a way to save money for each participant. In addition, homesteads and tourist facilities included in the organization are connected with each other by several thematic routes, which provides equal economic opportunity for everyone.

The active development of the rural tourism business in Spain dates back to the 1980s, it is worth noting that Spain is one of the first countries in Europe that used the rural tourism business as an economic tool for the development of peripheral regions. Spain was traditionally associated with seaside resorts. The developed part of the country was the maritime regions, which is why the rural regions were almost empty. Since the end of the 20th century, when there was an active discussion about the need to avoid a polluted environment, the Spanish government decided to promote the development of tourism businesses in rural areas.

For the first time, tourism as an economic phenomenon appeared in the rural regions of Spain in 1967, a program called "Vacationes en casas de labranza" (Vacations in Farmhouses) was adopted. Rural farmers were allowed to turn their homestead into tourist attractions. In the first year of the program, the number of sleeping places needed to receive tourists in Spanish villages has increased significantly. As a result of the implemented works, the number of travelers interested in rural tourism increased, which laid the foundation for more serious projects in Spain.

The Spanish government created a special financing program and regulations for the development of tourism in rural areas, which was implemented for the first time in the Catalonia region, followed by the neighboring region of Aragon. The development of rural tourism business in the mentioned regions was interesting and attractive for other regions of Spain as well. All over Spain, the development of the rural tourism business began. As a result, the center of tourism moved from the sea resorts to the heart of Spain and significantly solved the socio-economic problems of the population living here.

In Spain, special legislation and a list were created, which unites all homesteads engaged in the tourist business. Accordingly, thematic routes were created, with special cultural loads, thus equalizing the share of homesteads in receiving tourists. The innovative approaches used in the development of rural tourism made a significant contribution to the formation of Spain as one of the centers of rural tourism. The rich history of Spain's architectural diversity, lifestyle, and thousands of traditions of wine and cheese making is reflected in the thematic routes that today attract many tourists from America, Far Asia, and Europe. (Hall D. Kirkpatrick I. Mitchel M.2005)

If we take into account the above-mentioned international experience, the economic and social problems of the villages of Adjara can be solved. For this, special organizations should be created at the state level, which will take care of rural development through the formation of tourism business. Adjara is exceptionally rich in natural, cultural, and historical resources. Historical monuments dating back to the first century are located in the region. Adjara region is distinguished by its religious features, lifestyle, and unique cultural heritage. If the Georgian government starts developing rural tourism in the Adjara region by sharing international experience, it will be possible to develop the region and preserve the traditional, unique cultural life of the Adjara villages, which will attract travelers from many parts of the world.

Conclusion

Globalization and related processes that have been implemented in Adjara for the past 30 years have had a negative impact on the socioeconomic life of the region. As a result of the negative impact, the rural population in the Adjara region has significantly decreased, which has led to the forgetting of traditional agricultural and cultural life in rural areas.

The promotion of rural tourism business development in Adjara will contribute to solving the social and economic problems of the region. The intensive and sustainable development of tourism in rural areas will provide the opportunity for rural residents to earn income on their homesteads, which in turn will improve not only the homesteads of tourists but also the families who specialize in transportation, food products, and other services offered in rural areas.

The severe ecological situation in the city further increases the importance of the formation of rural tourism in Adjara. The development of tourism business in rural areas will contribute to the health and recreation of the local population, and the culture and awareness of rural recreation will be formed among the population.

Offering tourism products and services in rural areas will significantly improve the socio-economic situation of the village, contribute to the development of infrastructure in the region, and preserve traditional ethnic life.

The prerequisite for sustainable development of rural tourism business is the formation of niche and exclusive tourism products in rural areas. The village preserves the country's history, culture, traditions, and peculiarities. During the formation of tourism products in rural areas, all the unique features and

traditions that make the village unique should be considered. It is impossible to attract local and foreign tourists to the countryside, to keep them for a long time, if there are no unique products that cannot be seen and bought anywhere else. The experiences of the above-mentioned rural tourism product formation can be shared from the Norwegian and Spanish approaches.

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