

Economics of agriculture

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## PROFIT FROM THE RURAL TOURISM AS A STIMULUS FOR THE FURTHER DEVELOPMENT OF AGRICULTURE<sup>1</sup>

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### Abstract

*The aim of this paper is to raise awareness of agricultural producers to work with entrepreneurs who are engaged in tourism organization, with aim to achieve higher profits. Given that organic farming is based on application-specific approach to organizing and producing agricultural products, tourism, as a suitable market for direct implementation products for consumption, as well as for presentation to the positive effects of non-polluted environment can have on the health of the whole organism, through the introduction of various of sports and recreation, the combination of agriculture and tourism is essential. Various studies in this field has shown that now we have a positive trend in the development of rural tourism in our country, which together with increased agricultural production and exports (which continues, a positive result), we can expect to increase the total gross income of Serbia.*

**Key words:** *agricultural production, rural tourism, rural development, ethnic houses, export.*

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## Introduction

About three-fourths of the territory of Serbia are rural and rural space, inhabited by approximately half of the population. Seeking directions of development - the Serb village of old and disappearing. Although there are conditions for its development, it is still happening. The best picture is the uneven regional development of Serbia. In other words, in our country, there is a long-term policy of marginalization of rural areas. In such areas, far away from urban areas, Serbian villages disappear. Already about 4,800 villages in 200 is uninhabited, and in so many villages there are not young people under the age of 25 years.

Early sixties in the village of Devic, municipalities Ivanjica, conceived the rural tourism. However, due to bad roads above all, no ads and help the state, this effort has remained in the ranks very low tourism until the new way connected to the need for rest in nature and pastoral haven.

### A review of state rural development and tourism in the world

According to the World Tourism Organization, more than 75% of world tourism demand is aimed at the natural area. It should be emphasized that it is impossible to determine the exact percentage is directed toward rural areas. The reason is the fact that a large number of visits taking place on a daily basis, and it is impossible to constantly monitor this trend.

Rural tourism in the countries of **Europe** and the **United States** began to develop the mid-sixties. In the beginning it was a family outing on weekends, because vacations are usually reserved to the sea or mountains. Research has shown that more susceptibility to rural tourism have men rather than women, and that more interest for a rural holiday show intellectuals.

Fifties, the **Austrians** began to lead in the field of the Alps. Within the national strategy for the development of backward rural areas, begin to develop the village, combines the traditional and the modern and ultimately created additional income for the people residing in rural areas.

And **Great Britain** recognizes the great potential of the village, and in the early seventies the population ratio was 1:5 and tourists in rural areas. Also stand out **Belgium** and **France**, as good hosts in rural tourism. Many agree that the French have the most diverse offer for tourists.

In the last twenty years, tourism in the villages of **Ireland** has a national cultural heritage and that is what makes it very attractive.

In **Italy**, according to some data, even 7,000 households rented to nature lovers 100,000 beds.

Income of rural tourism in some areas and regions in recent years surpassed those recorded in the so-called conventional agriculture. **Austria** and **Slovenia**, for example, last year have made two billion euros from the rural tourism, and this positive trend, despite the economic crisis continues.

## Assessment of the current state of rural tourism in Serbia

The document *Strategy for the Development of Tourism of the Republic of Serbia*<sup>5</sup> said that rural tourism includes the following activities:

- 1) Agrotourism, rural households, farms - visitors observe and participate in traditional agricultural activities
- 2) Activities in the nature - recreation and leisure (hunting, fishing, horseback riding, biking, climbing, hiking)
- 3) Eco-tourism, tourism that supports the protection of natural resources
- 4) Rural experience ( rural tourism ) - tourists "plunge" in everyday village life
- 5) Cultural Tourism - refers to the culture, history, archeology and other characteristics of rural areas
- 6) Other combined forms of special interest tourism (events, festivals, outdoor recreation, manufacturing and sales of souvenirs and local agricultural products).

Republic of Serbia has a very favorable conditions for tourism development in rural areas. First of all, it is particularly favorable conditions of preserved nature, with mild climate, clean air, unpolluted rivers and lakes, rich flora and fauna. These benefits are especially pronounced in the mountainous regions - the hills of Tara, Divcibare, Ozren Povlen, Rtanj, Bukulja, Oplenac, Suva Planina.

Serbia has a long tradition of rural tourism, and yet we can say that is still in its infancy. Tourism is now dealing with over 300 households in 40 municipalities, with a bid of about 3,000 beds. Price per night is between 500 and 2,500 dinars. Thanks to the growing interest of tourists, visitors in the last four years, growing 30% a year. And offer follows a similar trend. Only Gornji Milanovac has 80 registered rural households with income from accommodation of last year amounting to 230,000 euros, we conclude the following: "Profit from rural tourism can be used for development and improvement of agricultural production".

Visitors of our ethno village may not be accustomed to life with the locals, harder to understand their thinking and the environment. On the other hand, in ethno villages there should be stable with the cattle and milk processing facilities, development of winter supplies and facilities for weaving, various workshops in which work would be attended by tourists, as it is the case in Italy. Because it is authentic, the village is attractive to people from urban areas.

In the course of 2004, Serbia has been the construction of two typical farm with all the characteristics related to the life and customs in the region of Vojvodina (farms 84 and 137), which are included in the tourist map of Serbia. Many villages throughout Serbia are a basis for further planning of the development of rural tourism. In that direction, as an integral part of tourism, we promote local, regional and national aspects of our country.

The following year, in Serbia, will begin the implementation of four pilot

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<sup>5</sup> Strategy for the Development of Tourism of the Republic of Serbia, the first phase report, the Ministry of Trade, Tourism and Services of Serbia. 24. November 2005

projects like support for development of rural tourism in the South Banat Danube, central and western Serbia. These projects will be launched in Ljig, Konjic, Kosjerić and Valjevo, and in eastern Serbia from Zajecar to Dimitrovgrad. Their purpose is to educate rural households, the teaching of foreign languages, business reception and work with guests to advertising and sales capacity of rural households.

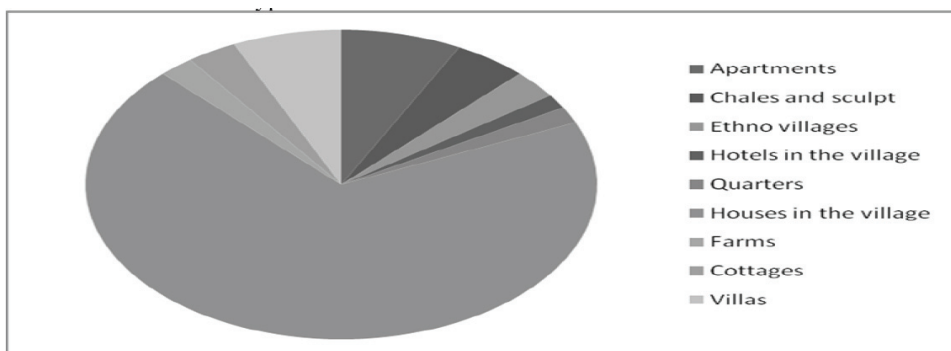
For the development of rural tourism should be applied to the appropriate standardization and classification services, particularly adequate conditions for placement. Of particular importance are the investments in infrastructure (road network, PTT), providing health care and conservation and environmental protection in order to prevent uncontrolled urbanization. One of the most important tasks in the development of rural tourism is to educate rural accommodation for doing this activity. This would be great role for nongovernmental organizations, tourism organizations of municipalities, and all interested parties

*Table 1: Number of accommodation in Serbia in rural tourism by type*

Type	Number of accommodation
Apartments	31
Chales and sculpt	19
Ethno villages	12
Hotels in the village	6
Quarters	7
Houses in the village	282
Farms	9
Cottages	13
Villas	28

*Source: www.selo.co.rs*

*Chart 1: Share of each type of accommodation in the whole of Serbia*



*Source: www.selo.co.rs*

Taking into account Table 1 and Chart 1, it is obvious that the largest share in the offer of accommodation are houses in the village, which has by far the most - 282, followed by apartments - 31 and villas - 28, but in much smaller numbers than houses in the village.

*Table 2: Number of accommodation in Serbia in rural tourism by origin*

Number of accomodation	Number of palces in Serbia
1	25
from 2 to 10	29
from 11 to 20	7
from 21 to 30	1
from 31 to 40	2
more than 40	1

*Source: www.selo.co.rs*

*Note: Table 2 does not have equal intervals, in order to detect significance of many places that have a small number of accommodation (to 10).*

Table 2 presents the number of places in Serbia by the number of accommodation (at intervals). We may note that the largest number of seats - 29 with a number of accommodation from 2 to 10, but being by no means even the places (there are 25), which have only one pension

### **The economic importance of rural tourism in Serbia**

Economic importance that Serbia can have on the development of rural tourism is huge. But the production quality of spending time outdoors and in the countryside should not be left to the local population, but a serious subject of analysis if we expect visible effects. Let us start with only the common assumption that a rural household has only two rooms with two beds and to be issued to aliens 200 days at a cost of only 20 euros for full board and get the figure of 16,000 euros per year. In Serbia, half the population lives in villages so, there you can find a million households. If only 10% of these households decided that the business of rural tourism, this could bring Serbia € 1.6 billion, just out of bed and meals. If we add to this revenues from traffic, trips, spending extra services, customs ... can be expected and more than three billion euros a year, only the first time. To realize this, it is necessary to many branches of the economy up to engage. Let us mention here only the construction industry, building materials, industrial equipment, food, transportation, guide service, etc.

## **The importance of rural tourism to agriculture of the Republic of Serbia**

Knowing the geographical position of Serbia, climate, natural resources, which are favorable conditions for agricultural development, the existence of depression in Vojvodina, Macva, in Kosovo and Metohija, represent great potential for agricultural development and food production. Observing the state of agriculture before World War II, between the wars, during the war of the nineties, farming village is basically improving the sustainability of which is necessary to create conditions for work and returning people to the countryside, increase the standard of farmers, invest in infrastructure, take advantage of the low level of pollution resources because in such conditions Serbia has a chance to develop tourism.

In Serbia, for a year, 4.6 million hectares of agricultural land produces about 10 million tons of agricultural products worth about 3.3 billion (in 2006). From tourism we have an income of \$ 400 million, of which the revenue structure dominated by food and services to foreign tourists, accommodation in spa charges, tolls, and selling other services, especially in rural tourism. Food exports in 2006 we realized foreign currency income of 1.26 billion dollars, which represents one fifth of total exports of Serbia. If in this department has filed about billion euros to the production of organic food and tourism would be greatly developed. Already in 2010. year should be double food production and value is expected to reach 6-7 billion, and exports to increase to over 2 billion dollars. It is expected that by 2020 the profits from tourism reached a value greater than \$ 2 billion. In the European Union about 10% of the population opted for the use of genetically modified food. Investing in raising food that is not genetically modified, in Serbia would be no ability to export agricultural products to the European Union, which would attract a certain number of foreign tourists, increase investment in rural tourism and prevent the disappearance of the village, because the substantial amount of money left domestic tourists, too.

About 85% of Serbia consists of rural areas where half the population lives, and of rural development as a whole, depends on the development of rural tourism in Serbia. With economic development increases the range and quality of tourism services, which in conjunction with the development of agriculture and food security for tourists takes the invisible export of food, encouraging rural development and employment. Our villages are located in an attractive natural environment complemented by the diverse range of farming, the possibility that tourists engage in agricultural production, processing agricultural products, etc.

### **Conclusion**

Serbia prospects is in the agriculture and tourism. These two industries need to be closely linked because both recon on each other and their common ground - the village. Perspectives for agriculture and rural tourism is more than great. The world's

most wanted quality food, particularly those produced in a healthy way. Serbia this year, an estimated Observer, classified among the 20 most attractive destinations in the world (14th) and that the best way of talking about our perspective. The wealth of different rural areas of Serbia has a basis on which can be based and its tourism development plan. Tourism and its strong impact will have a positive impact on the overall economic life of these areas.

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