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THE ROLE OF AGROTOURISM DEVELOPMENT IN REDUCING POVERTY IN RURAL REGIONS

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Abstract. This article examines agrotourism (rural tourism) as an instrument of pro-poor economic policy in rural regions. Drawing on the pro-poor tourism (PPT) framework and recent empirical evidence, the study analyses the channels through which agrotourism raises household incomes, diversifies rural livelihoods and reduces multidimensional poverty. Methodologically, the paper combines a systematic review of the academic and institutional literature with secondary statistical analysis of tourism and poverty indicators, including data from Uzbekistan and a quantitative case study from the Todgha Oasis (Morocco). The results, summarised in two analytical tables and two figures, show that agrotourism generates direct, indirect and induced income effects, expands female and youth employment, and retains tourist expenditure within local economies through short value chains. The article concludes that agrotourism is most effective as a complement to — not a substitute for — agriculture, and that its poverty-reducing potential is conditional on infrastructure, access to finance and entrepreneurial capacity building.

Keywords: agrotourism, rural tourism, poverty reduction, pro-poor tourism, household income, employment multiplier, sustainable rural development, regional economy.

1. Introduction

Poverty in most developing economies remains a predominantly rural phenomenon. Households whose incomes depend on a single agricultural activity are highly exposed to climatic, price and seasonal shocks, which keeps a substantial share of the rural population near or below the poverty line [3, 5]. In this context the diversification of rural income sources has become a central objective of regional development policy. Tourism, and in particular agrotourism, is increasingly regarded as one of the most accessible mechanisms for such diversification, because it allows rural households to monetise assets they already possess — land, housing, agricultural skills, cuisine, crafts and cultural heritage [1, 2].

Agrotourism may be defined as a form of tourism in which the rural household and its farm constitute the principal tourist product: visitors stay in family accommodation, participate in agricultural work, and consume locally produced food and services. Unlike large-scale resort tourism, agrotourism requires comparatively modest initial capital and relies on the active involvement of the local population, which is precisely why it is associated with the concept of "pro-poor tourism" — tourism that delivers net benefits to the poor [1, 3]. The United Nations World Tourism Organization has explicitly promoted such approaches since 2002 through its Sustainable Tourism – Eliminating Poverty (ST-EP) initiative [6].

The relevance of the topic is reinforced by current data. In Uzbekistan, where regional poverty reduction is a stated national priority, the national poverty rate declined from 8.9% to 5.8% between 2024 and 2025, while inbound tourism grew by roughly 20% to about 8 million visitors and tourism-services exports rose from 2.14 to 3.52 billion US dollars, accompanied by the creation of around 51,000 new jobs [13]. These figures illustrate the scale of the link between tourism expansion and welfare, but they also raise the analytical question this article addresses: through which precise mechanisms does agrotourism translate into poverty reduction, and under what conditions?

The aim of the article is therefore to identify and systematise the economic channels through which agrotourism development reduces rural poverty, and to formulate evidence-based recommendations for regional policy. The research tasks are: (1) to clarify the theoretical relationship between agrotourism and pro-poor growth; (2) to analyse empirical evidence on income and employment effects; and (3) to assess the conditions and constraints that determine the effectiveness of agrotourism as an anti-poverty instrument.

2. Materials and Methods

The study is based on a qualitative-analytical methodology combining three components. First, a systematic review of the academic and institutional literature on pro-poor tourism, agrotourism and rural development was conducted, with sources selected by relevance and citation impact [1–5, 8]. Second, secondary statistical data on tourism flows, tourism-services exports, employment and poverty rates were collected from national and international sources [7, 13]. Third, a logical-structural analysis was applied to reconstruct the causal chain linking tourist expenditure to household welfare, complemented by a comparative case analysis of the Todgha Oasis study (Morocco) [9].

Analytically, the article relies on the standard tourism-income decomposition into direct, indirect and induced effects [4, 12], and on the household-livelihood-diversification framework, which treats agrotourism as one component of a portfolio of rural income sources [3]. Comparative analysis is used to contrast agrotourism with enclave resort tourism, while descriptive statistics characterise magnitudes. The principal limitation of the method is its reliance on secondary data; the conclusions therefore describe general regularities rather than the parameters of a single local economy, and quantitative results from the case study are indicative rather than universally generalisable.

3. Results

The analysis identifies four principal channels through which agrotourism reduces rural poverty. The first is the direct income channel. Agrotourism converts under-utilised household assets — spare rooms, farmland, traditional cuisine — into marketable services, generating cash income additional to agricultural earnings. The empirical evidence is striking: in the Todgha Oasis study, agrotourism income enabled 76.6% of participating households to exceed the agricultural minimum wage, with farming experience and landholding size acting as significant predictors of agrotourism income [9]. This relationship is illustrated in Figure 1.

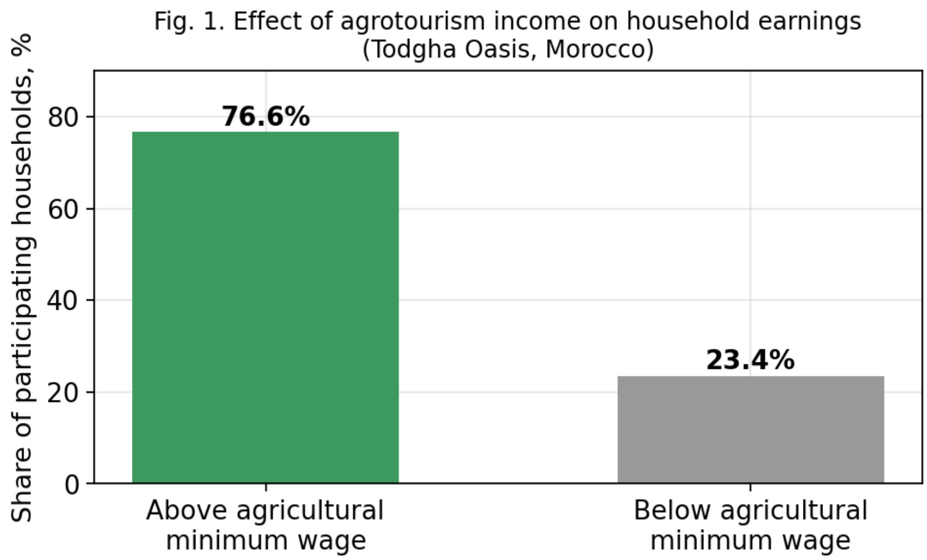

Figure 1 – Effect of agrotourism income on household earnings (Todgha Oasis, Morocco). Source: compiled by the author from [9].

The second is the employment channel. Agrotourism is labour-intensive and draws on skills that are widely distributed in rural communities, so it lowers barriers to employment for groups frequently excluded from the formal labour market, notably women and young people [3, 5]. Hospitality, food-preparation and guiding activities create work that can be combined with ongoing farm responsibilities, raising total household labour utilisation rather than displacing agriculture.

The third is the local value-chain (retention) channel. Because agrotourism relies on short supply chains — food grown on the farm, crafts made locally, guiding performed by residents — a larger proportion of each unit of tourist expenditure remains within the local economy than in enclave resort tourism, where leakages to external suppliers are high [4, 11]. The retained expenditure then circulates through the local multiplier: one additional unit of employment in tourism is associated with more than one additional unit of employment in the wider economy [12]. Figure 2 presents the conceptual decomposition of tourist expenditure into direct, indirect and induced effects.

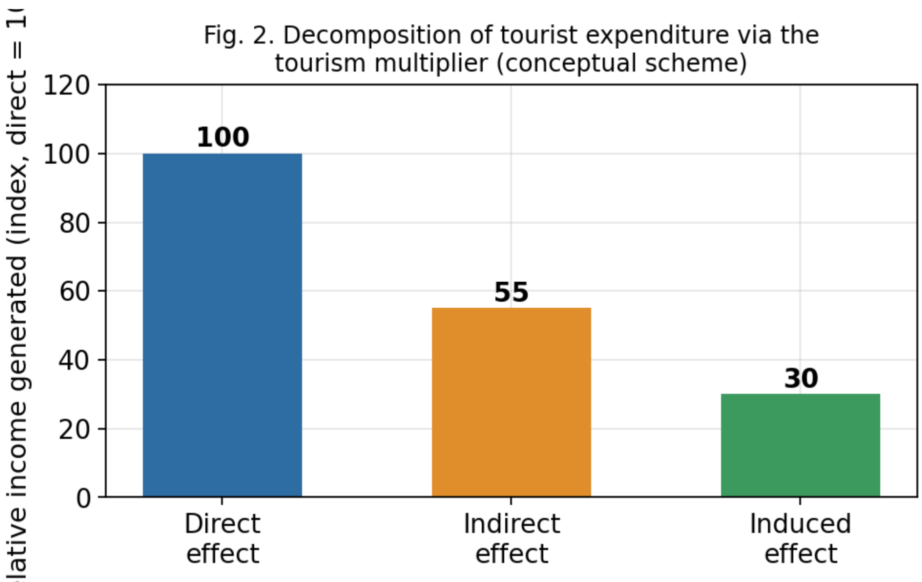

Figure 2 – Decomposition of tourist expenditure via the tourism multiplier (conceptual scheme). Source: compiled by the author based on [4, 12].

The fourth is the human- and social-capital channel. Participation in agrotourism develops entrepreneurial, marketing and language skills, improves infrastructure used by both tourists and residents, and raises the social recognition of rural communities. Community-based forms of tourism have been documented to advance Sustainable Development Goals 1 (No Poverty) and 8 (Decent Work and Economic Growth) by creating stable, locally embedded income opportunities [14]. Table 1 systematises these four channels.

Table 1 – Channels linking agrotourism to poverty reduction

Channel	Mechanism	Effect on poverty
Direct income	Monetisation of household assets (rooms, land, cuisine, crafts)	Additional cash income beyond agriculture; consumption smoothing
Employment	Labour-intensive services with low entry barriers	Inclusion of women and youth; higher household labour utilisation
Local retention	Short value chains reduce leakage of expenditure	Local multiplier stimulates agriculture, retail and construction
Human/social capital	Skills, infrastructure and social recognition	Long-term resilience and reduced multidimensional poverty

To clarify why agrotourism is more pro-poor than conventional mass tourism, Table 2 compares the two models across the dimensions most relevant to poverty reduction. The comparison shows that agrotourism's lower capital intensity, higher labour intensity and shorter value chains translate into a higher share of benefits captured by low-income rural households.

Table 2 – Comparison of agrotourism and mass resort tourism by pro-poor criteria

Criterion	Agrotourism	Mass resort tourism
Initial capital required	Low (existing household assets)	High (large fixed investment)
Labour intensity	High; family and community labour	Capital-intensive; concentrated employment
Value chain	Short; local food and crafts	Long; high import and external leakage
Local retention of spending	High	Often low (enclave model)
Beneficiaries	Low-income rural households	Large operators and external investors

4. Discussion

The results confirm that agrotourism can be an effective pro-poor instrument, but they also delimit the conditions under which this potential is realised. The evidence consistently shows that agrotourism works best as a complement to agriculture rather than as a replacement for it: households that retain their productive farm base and add tourism as a secondary activity capture both the income-diversification benefit and the value-chain synergies — farm produce supplied directly to guests [3, 9]. Where agrotourism displaces farming entirely, the local retention advantage weakens and households become exposed to the seasonality and volatility of tourism demand.

It is also important to note the distributional caveat established in the empirical literature. Using a computable general equilibrium model, Blake and colleagues found that although tourism expansion benefits all income groups, the lowest-income households tend to benefit proportionally less than some higher-income groups [4]. Scheyvens similarly cautions that pro-poor outcomes are not automatic and depend on deliberate design [3]. This means that the inclusiveness of agrotourism cannot be assumed; it must be engineered through policy.

Three structural constraints recur in the literature [1, 5, 9]. The first is infrastructure: without adequate roads, water, sanitation and digital connectivity, remote rural areas cannot attract or serve visitors, and it is frequently the poorest districts that suffer the greatest infrastructure deficits. The second is access to finance and the entrepreneurial-skills gap: many rural households lack start-up capital and the marketing, hospitality and digital competences required to convert assets into a competitive product. The third is the distribution of benefits, discussed above, which without inclusion mechanisms can widen rather than narrow local inequality [2, 4].

These findings have direct policy implications. Public investment should prioritise basic infrastructure in high-poverty districts; micro-credit and grant schemes should target first-time rural hosts; and capacity-building programmes should focus on the skills — hospitality standards, online marketing, financial literacy and foreign languages — that determine competitiveness [5, 8]. For Uzbekistan specifically, where anti-poverty programmes already combine the development of small and medium-sized towns with improvements in road, energy and tourism infrastructure, agrotourism along the historical and natural routes of the regions represents a logical extension of existing policy [13].

5. Conclusion

Agrotourism reduces rural poverty through four mutually reinforcing channels: additional direct income, inclusive employment, retention of expenditure in local value chains, and the accumulation of human and social capital. Empirical evidence indicates that, under favourable conditions, agrotourism income can lift a majority of participating households above subsistence-wage thresholds while strengthening the wider regional economy through the tourism multiplier. However, its effectiveness is conditional: it depends on basic infrastructure, on access to finance and entrepreneurial skills, and on institutional mechanisms that ensure the poor actually share in the benefits. The principal policy recommendation is therefore to treat agrotourism not as a stand-alone solution but as an integrated component of regional pro-poor development, combining infrastructure investment, targeted financing and skills development. Further research should quantify these effects at the district level using primary household survey data.

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