

AGRICULTURE AND THE ROLE OF COOPERATIVES IN RURAL TOURISM DEVELOPMENT IN THE REPUBLIC OF SRPSKA

Vesna MRDALJ^{1*}, Drago TODIĆ²

¹Faculty of Agriculture, University of Banja Luka, Republic of Srpska, Bosnia and Herzegovina

²Faculty of Sciences, University of Banja Luka, Republic of Srpska, Bosnia and Herzegovina

(Corresponding author: vesna.mrdalj@agrofabi.org)

Abstract

The importance of agriculture in a country is determined primarily through food production and ensuring food security. From the standpoint of tourism development of the country, first and foremost requirement is the production of food. Tourism is a direct consumer of agricultural products, thereby encouraging the development of agriculture, while agricultural production is influenced by trends in tourism spending adjusted by changing the existing structure. Cooperatives in rural areas in terms of improving the competitiveness of agriculture production, but also providing other necessary forms and contents for life and work of the rural population are very important. Generally, cooperatives are considered one of the main instruments of implementation of rural development policy measures, including measures that are specifically related to the development of tourist activities in rural areas. The goal of this work consists in determining the connection between agriculture and tourism, the place and role of cooperatives in the development of tourist activities in rural areas of the Republic of Srpska through the presentation of good practices.

Keywords: *Agriculture, cooperatives, rural tourism, Republic of Srpska*

Introduction

Tourism is now one of the world leading industries, which is an important economic, social and ecological factor. In the beginning of its development, it had characteristics of elite tourism for only wealthy members of society, and then transformed into a mass tourism, and today in specific forms of tourism. There are new forms of tourism, adapted to wishes and needs of each individual. According to estimates of the World Tourism Organization, tourism will experience progress by 2020, which will, among other changes, the tourism demand will go towards eco-tourism, cultural tourism, thematic tourism, and cruise and adventure tourism. According to these estimates, tourism will be based on the use of various natural and anthropogenic resources. This specifically includes rural areas, whose main activity agriculture is unavoidable as the main supplier of food, raw materials and labour, as well as responsible for the development of rural tourism and travel motive of movement of people. Rural areas represent the opposite of urban space. This is a space that originally served as a living work area of farmers and as whole cultivated, uncultivated and populated areas outside the cities.

This work aims at determining the connection between agriculture and tourism, the place and role of cooperatives in the development of tourist activities in rural areas of the Republic of Srpska.

Results and discussion

Very often village and rural tourism equalized, and the largest number of authors make no terminological and fundamental difference. The village tourism in Serbia today is marked by three different offers:

- On farm tourism,
- All kinds of tourism, which occur within the area of the village, and
- All kinds of tourism, which occur in the overall rural area, *i.e.* outside cities.

The main reason of terminological dilemma lies in the fact that in the Serbian language, there is no corresponding word for a common overall area outside the cities, which would set aside part of the village, namely the populated area and other space outside of city. "Rural" adjective was formed from the noun of village, and cannot be extended to the whole rural area, and in this sense, the use of the term rural becomes more adequate (although it is a foreign word), which refers to the total area outside cities and phenomena taking place in it (Todorovic and Štetić, 2009). There are several definitions of rural tourism, such as the definition of the Council of Europe (1986): *"Rural tourism is tourism, which includes all activities in the rural areas; the most important characteristics of this kind of tourism are quiet environment, protected environment, and the absence of noise, communication with hosts, domestic food and becoming familiar with village jobs"*. However, more adequate definition for us is the one made by local authors that rural tourism is meeting the needs of local and foreign tourists in rural areas, with local and regional attractiveness. Developers of rural tourism must be aware of the fact that tourists in rural areas buy experience, and carries the memory of the house and some souvenirs. The best example of the development of rural tourism is Austria from 50s of the twentieth century to the present. The first phase of development of this form of tourism was self initiative of alpine villages of Austria. It was selected area, almost cut off from the world in winter, with agricultural production, which could no longer compete with the commercial and industrial agriculture of other developed countries. This was followed by depopulation and slowing down the development. After the analyzes, as part of a national strategy for the development of depopulated areas, rural areas of the Alps begins to revive, in which the rural tourism was leading activity with its complementary activities. New activities have allowed additional income, which compensated the lack of income from agriculture. The construction of municipal infrastructure, kept the population, and the contact with leads to reviving the economy and cultural life, and the symbiosis of old and new, traditional and modern. The life returned to Alps (Lukic, 2000). Tourism in rural areas of Europe today is an important element of the overall tourism offer and the development of rural areas. Rapidly, spatial planning developed and evaluation of natural resources, new development of agriculture and forestry, environmental protection, and cultural - historical heritage. Rural tourism has become an important link in the chain of development of rural areas.

Generally, tourism and agriculture are very closely related. Food production, food security production of raw materials for the processing industry; foreign trade of agro food products; and social, demographic, and other aspects determine the multiple significance of agriculture in a country. The first and basic requirement for the development of tourism in a country is the production of food. The Republic of Srpska in terms of meeting the needs of the local population in food, with the exception of some products (fruit and potatoes), is characterized by a low level of self-sufficiency, and is forced to import substantial quantities of agro - food products. By providing enough food for their own purposes, for strategic

reserves and exports, one can think more seriously about the development of tourism in a country. Between industry and agriculture there is a close relationship, which is reflected in (Mirjanic and associates, 2011):

- Production and consumption of agricultural and food products;
- Promotion of typical agricultural products (products with protected geographical indications of origin);
- Maintaining of rural landscapes;
- Organizing of agro-tourism;
- Enrichment and expansion of tourism facilities;
- Providing an additional source of revenue and jobs for the agricultural population.

Through direct consumption of agricultural products, tourism encourages the development of agricultural production. Under the influence of consumer trends in tourism, agricultural production is changing its existing structure. Tourism has a great importance and role in the development of rural areas. Effects of its development are of social, economic, and cohesive nature. Sociological effects are manifested through the creation of new jobs and increased employment. Specifically the inclusion of women and youth in addressing this activity is emphasized. Another very important sociological impact of tourism development in rural areas is to stop depopulation and migration patterns between rural - urban areas. In the Republic of Srpska there are highly expressed processes of migration, mainly incurred as a result of the influence of economic factors. Studies at the level of rural households showed an average of 0.35 family members, moved from rural areas (Mirjanic and associates, 2011). In terms of achieving the economic effects of tourism development in rural areas, it primarily refers to the increase in the total income of rural households through the sale of farm products, handicrafts, accommodation services on small farms. With the economic development of an area, including rural, infrastructure development is essential. In other words, with no developed public and tourist infrastructure there would be no tourism development in rural areas.

Cohesive effect of the development of rural tourism includes tourism as a mechanism for developing a balanced regional development. Under the planned regional organization of the Republic of Srpska, uneven economic development different regions is evident, and thus, the development of tourism activities would be significantly affect equal economic development of them (Rural development of Republic Srpska 2010). In addition to the above effects, the development of rural tourism significantly affects the preservation of local identity, traditions and customs, and other ambient values in rural areas.

Activities of cooperatives in rural areas in terms of improving the competitiveness of agriculture take an important place. The development and strengthening of business associations of farmers into cooperatives significantly influences the increased market activity of farmers. In the context of the development of rural areas, cooperatives are one of the key instruments of rural development. Specifically, they are the best organizational form of business connections and improved the position of farmers in rural areas. Agricultural producers through joining the cooperatives achieve their economic, social and other interests. Furthermore, the nature of the organization and activities provided, enhance economic and social status of the rural population. Uniqueness of cooperatives in the context of rural areas is reflected in the fact that better efficiency in the implementation of rural development measures, is achieved if it goes through one organization instead of various users in relation to the implementation of measures to individual users. Key areas within which the results of activity of cooperatives in rural areas are manifested are: education and raising awareness of rural population, agriculture, improving the quality of life in the rural area by infrastructure development and introduction of complementary activities in order to increase sources of

income for rural households and employment. Therefore, the activities of cooperatives in rural areas of the Republic of Srpska, on the basis of which the concept of long-term development of this form of tourism would be based upon, are:

- Continuing education of rural population and developing an entrepreneurial approach to developing tourism activities in rural areas;
- Definition of tourist attractions and facilities, according to which a certain area, the region was distinctive in relation to the other (image formation);
- Defining strategy, or certain forms of tourism, which could be developed based on existing natural and human resources;
- The identification and registration of rural households to engage in this activity;
- Enabling rural households to provide tourist services - investment in the construction and equipping facilities for agro-tourism activity;
- Marketing and promotion.

One of the best practical examples, reflecting the role and importance of cooperatives in the development of tourism in rural areas of the Republic of Srpska, is an agricultural cooperative "Agrojapra" Donji Agici, in Novi Grad municipality.

Administrative - territorial area of the municipality of Novi Grad encompasses 48 villages and cadastral municipality, where 47 villages with their domains make rural areas, while one area and cadastral municipality – Novi Grad is urban. Overall ratio of the rural and urban geographic space is 94.36: 5.64%, and as far as population is concerned (in 2008) 64.84: 35.16%. Generally, rural areas throughout the former Yugoslavia, and thus Novi Grad have been experiencing economic, social, functional and physiognomic transformation. This process had the most impact to the rural population, which has been steadily falling since 1961 from 27,590 inhabitants to 25,758 inhabitants in 2003, i.e. 6.65%. This decrease was flowing unevenly both spatially and temporally. Agricultural cooperative "Agrojapra" from Donji Agici near Novi Grad was founded in 2000 and operates on a large Podgrmeč area in the river valley of Japra. The cooperative activity included 255 households in the area of 23 villages. In addition to primary agricultural production, the cooperative established production facilities for the production of cold-pressed pumpkin and sunflower oil, a mini-dryer, a mini-refrigerator, a bakery, a mill on Japra river, etc. Moreover, the Cooperative has built a new village hall in which there is the library with a reading room, where is located the centre for education of its members, an ethno-museum that testifies the former life in the valley of Japra.

As part of the Cooperative project, rural tourism has become the educational and scientific basis for a large number of students in primary and secondary education, as well as students of Agricultural and Mathematics Science of the University of Banja Luka. As far as tourism infrastructure is concerned, the Cooperative plans to build hiking trails and a sightseeing viewpoint on Hozić stone, summer stage with stands, accommodation of 50 beds for the school in nature, which could last for five full months during the year, as well as adaptation of accommodation for domestic and foreign tourists in rural households. Along with these, the Cooperative is working on the introduction of education programs for family farmers, who plan to get engaged in the provision of services in rural tourism.

Finally, to get all the benefits of the development of cooperatives in rural areas, or in this case, the start of tourist activities, it is essential to have material support of the local entity government, which would stimulate its development. Synergy and involvement of the key stakeholders in order to significantly accelerate the development of rural areas, whereby it would fully satisfy the principal activities of the rural development policy, based on the application of the principle of *"bottom-up"* and *"top-down"*.

Conclusion

Today, rural tourism as one of the specific forms of tourism is an important link in the chain of development of rural areas. It includes all activities in the rural area, and the main features of quiet and protected environment, absence of noise, communication with hosts, local food and exploring rural affairs. In the function of the development of rural areas, rural tourism accounts for a number of positive effects from economic, social and cohesion standpoints. As an industry, tourism is closely linked to agriculture. Thanks to the direct consumption of agricultural products, tourism encourages the development of agriculture. The revitalization of rural areas focuses on cooperatives.

Generally, in terms of improving agricultural production cooperatives have an important place. In the context of the development of rural areas, cooperatives are considered one of the most important instruments for the implementation of rural development policy. Due to the nature of its organization and activities provided by the improvement of the economic and social status of the rural population. In the development of rural tourism, cooperatives activities go from the education and information of rural population, identification and training of rural households to provide services to tourists, to marketing and promotion. Support of relevant local and entity institutions is an unavoidable factor in the realization of rural development measures, including measures relating to the development of tourism activities.

References

- Mirjanić S., Vaško Ž., Ostojić A., Predić T., Drinić Lj., Rokvić G., Mrdalj V., Figurek A. (2011)., Agricultural sector of Republic Srpska – Situation and development directions, Main characteristics of CAP-EU, Banja Luka.
- Todorović M., Štetić Lj. (2009): Rural tourism, Belgrade.
- Lukić A. (2009): Rural tourism- Factor for the development of rural areas in Croatian, Magazine "Geographic Horizon", number 1/2, Croatian Geographical Society, Zagreb.
- Rural Development of Republic Srpska, University of Banja Luka – Faculty of Agriculture Banja Luka, 2010.