

DEVELOPMENT OF ENTREPRENEURSHIP IN RURAL AREAS ON THE EXAMPLE OF AGROTOURISM

The paper presents issues related to the development of agritourism as a form of entrepreneurship in rural areas. The effects of its development can be analyzed in the context of not only social but also economic sciences. Agritourism is a popular form of tourism, as well as a type of activity in countryside. Its specificity is offering tourist services in a rural environment, which is closely related to agriculture. Sometimes it happens that tourist activity begins to dominate agricultural production, and in some cases even completely displaces it. In this situation, on the basis of the so-called agritourism farms, only specialized tourist services are being provided or the limits of tax-free agritourism activities are exceeded. Due to the fact that the limits are exceeded, the legal provisions on running a micro-enterprise should apply, as the farmer then becomes an entrepreneur. Agritourism is an important element of the economic activation of the rural population related to agriculture, therefore many different factors that affect its development can be listed. Important factor contributing to the development of agritourism in rural areas is the competitive prices of agritourism farms compared to other tourist facilities. This fact strongly encourages tourists to choose this form of tourism activity in rural areas. The factor which to a large extent speaks for the need to develop agritourism activity, just like any other non-agricultural activity, is the income situation of the population related to agriculture and high unemployment in rural areas. There are also other factors that may affect the development of this non-agricultural form. The environmental factors include: natural and landscape values, favorable geographical location, large labor force in the countryside, rich historical and cultural heritage, multi-directional and small farm area, traditional hospitality, strong motivation aimed at improving the standard of living.

Key words: *entrepreneurship, agritourism, development, rural areas.*

Досліджено проблеми агротуризму як форми підприємництва у сільській місцевості. Наслідки його розвитку можна аналізувати в контексті не тільки соціальних, але й економічних наук. Агротуризм є популярною формою туризму, а також видом підприємницької діяльності на селі. Його специфіка – пропонування туристичних послуг у сільській місцевості, яка тісно пов'язана із сільським господарством. Іноді трапляється так, що туристична діяльність починає домінувати у сільськогосподарському виробництві, а в деяких випадках навіть повністю витісняє його. У цій ситуації на базі так званих агротуристичних господарств надаються лише спеціалізовані туристичні послуги, що перевищують межі неоподаткованої агротуристичної діяльності. Доведено, що оскільки ліміти перевищено, то мають застосовувати

ся законодавчі положення щодо управління мікронідприємством, оскільки фермер тоді стає підприємцем. Агротуризм є важливим елементом економічної активізації сільського населення, пов'язаного із сільським господарством, тому можна перелічити багато різних факторів, що впливають на його розвиток. Важливим фактором, що сприяє розвитку агротуризму в сільській місцевості, є конкурентоспроможні ціни агротуристичних господарств порівняно з іншими туристичними об'єктами. Цей факт спонукає туристів обирати саме таку форму туристичної діяльності у сільській місцевості. Фактором, який значною мірою говорить про необхідність розвитку агротуристичної діяльності, як і будь-якої іншої несільськогосподарської діяльності, є ситуація з доходами населення, пов'язана із сільським господарством та високим рівнем безробіття у сільській місцевості. Існують також інші фактори, які можуть вплинути на розвиток цієї несільськогосподарської форми діяльності. До факторів навколишнього середовища належать: природні та ландшафтні цінності, сприятливе географічне розташування, значна вільна робоча сила у сільській місцевості, багата історична та культурна спадщина, різноспрямована та мала фермерська територія, традиційна гостинність, сильна мотивація, спрямована на підвищення рівня життя.

Ключові слова: підприємництво, агротуризм, розвиток, сільське господарство.

Introduction. Agritourism has become a permanent element of Polish countryside landscape and a very popular area of research. The effects of its development can be analysed in the context of not only social but also economic sciences. Agritourism is a popular form of tourism, as well as a type of activity in countryside. Its specificity is offering tourist services in a rural environment, which is closely related to agriculture. Sometimes it happens that tourist activity begins to dominate agricultural production, and in some cases even completely displaces it. In this situation, on the basis of the so-called agritourism farms, only specialized tourist services are being provided or the limits of tax-free agritourism activities are exceeded. Due to the fact that the limits are exceeded, the legal provisions on running a micro-enterprise should apply, as the farmer then becomes an entrepreneur.

Entrepreneurship in rural areas. Entrepreneurship is interdisciplinary and there is no universal definition that would define this term. This concept was defined by Cantillon in 1755 and later developed by J.B. Say in the XIX century. Later, the concept of “entrepreneurship” began to be dealt with by the Austrian economist Joseph Schumpeter, and then by other scientists. The history of the concept is not important in the considerations of this paper, therefore we will focus on presenting the meaning and contemporary definitions of entrepreneurship.

In the literature, you can come across various definitions of the term entrepreneurship. Majewska (2006) believes that entrepreneurship can be understood as the behavior of the authorities and local population aimed at searching for new applications of the resources held. The aim of these activities is economic activation of the region and increasing its competitiveness. Rakowska (2010), in turn, says that entrepreneurship can be understood as:

- specific way of managing the organization;
- socio-economic phenomenon, analyzed by theoreticians of management sciences, sociologists, economists;
- feature of individuals, which is identified with having specific features, such as: initiative, determination, willingness to take risks;
- the nature of the economic activity on a micro and macro scale;
- the process of organizing and running a business, as well as taking risks associated with this activity;
- the field of didactics, i.e. teaching entrepreneurship as a way to cope with the economic reality.

Dębska and Ślusarczyk (2010) say that entrepreneurship is an innovation that consists in looking for differences and finding effective ways of operating on the market. These methods should result in higher management efficiency and higher utility. According to these authors, entrepreneurship is also a form of behavior of an individual in society, which thanks to

perseverance, initiative, boldness and the necessary caution and consistency in action gives him/her a chance for an independent material existence, including social, shaping at a higher than average level. Górką, Jurczak and Krzywonos (2018) believe that entrepreneurship can be considered in many aspects, but it is defined, however, as the attitude and type of organizational and managerial activities in an enterprise. These actions, in turn, are based on the motives of profit, innovation, risk and competitiveness, and decisions on own responsibility. Entrepreneurship is interpreted differently. Most often, it is identified with the characteristic of an entrepreneur, as well as a function that manifests itself in stimulating socio-economic development, which is based on taking advantage of opportunities that flow from both the market and institutional environment. Entrepreneurship is a concept that is constantly being modified. In general, this term is associated with a life attitude that is focused on achieving specific goals and looking for opportunities to achieve these goals. Many people also equate entrepreneurship with typically economic issues.

Entrepreneurship plays a very important role in the socio-economic changes in rural areas. It releases energy and enthusiasm among their inhabitants to take up difficult challenges, invest in new branches of the economy, not necessarily related to agribusiness and agriculture. Entrepreneurial people in the countryside often take risks and start their own economic activities. They invest their capital or external funds, e.g. from credits or loans, and start a family business, trying to effectively manage their company. Entrepreneurship in the countryside may concern farmers and agricultural production, both plant and animal husbandry. It may also be related to the entrepreneurial attitudes of rural residents, but related to various non-agricultural branches in the countryside, e.g. broadly understood services, trade or production. According to Kołodziejczyk (2010), the degree of development of non-agricultural activities in the countryside can be defined by the indicator of the share of the population employed in it. In rural areas, the share of people employed in agriculture is 60.9%, in non-agricultural production activities – 18.5%, and in services – 20.6%. Services are also the most dynamically developing economic activity in the countryside. Undertaking activities in the field of tourism is aimed at increasing the share of the tourism sector in generating national income and employment.

According to Roman and Niedziółek (2017), entrepreneurship in the countryside may concern farmers and agricultural production, both plant and animal husbandry. The aforementioned entrepreneurship may also be related to the entrepreneurial attitudes of rural residents, but related to various non-agricultural branches in the countryside, e.g. broadly understood services, trade or production. They claim that non-agricultural forms of entrepreneurship of rural residents are mainly related to running family businesses, most often including service and production businesses. You can include here all kinds of renovation and construction companies, grocery stores, transport companies and companies dealing in the hotel industry. Currently, in the case of the development of tourism in the countryside, agritourism activities are widespread and very important.

The importance of agritourism in the development of entrepreneurship in rural areas. Agritourism is not a new phenomenon. According to Koral (2016), this concept appeared in the last quarter of the 20th century. The term (*agritourism*) is a combination of two words: agro and tourism. The first of the elements is derived from the Greek term *agros*, which means farmland, and *agronomos*, referring to the manager of agricultural property. The second element of the word - tourism is a form of active rest outside the place of residence. It is inspired by cognitive, recreational and sports needs and includes all forms of voluntary change of the place of stay.

There are many definitions of agritourism in the literature. The definition formulated by Drzewiecki (1995) was one of the first. The author described agritourism as “a form of rest in rural areas of an agricultural nature, based on accommodation, usually also nutrition. It is a form of recreational activity related to the farm and its environment – natural, production and service”. This definition emphasizes that the stay on the farm is the basic feature of agritourism, and one of the most important purposes of tourist trips to the countryside is

the natural surroundings. Czerwiński (2007) believes that agritourism is “a kind of bridge connecting the city with the countryside”. Roman and Niedziółka (2017), in turn, believe that this formulation includes not only social aspects, but also vacationers’ contacts with local culture and traditions. It can also be seen here that the author puts emphasis on an additional economic benefit, which in addition to renting rooms is the sale of agricultural products.

Wasilewski (2013) says that agritourism is an element of rural tourism, which includes many types of recreational activities, such as nature tourism, health tourism, sightseeing tourism, cultural tourism and ethnic tourism. According to the author, the distinguishing and distinctive feature of agritourism is its location only in areas of an agricultural nature.

Wojciechowska (2009) believes that the concept of agritourism has been modified in recent years. Currently, this term can be defined as a form of rural tourism, which is a specific tourist enterprise on a farm – agritourism farm, organized by a farmer using not only the farm’s own resources but also the tourist attractions of the area. According to the author, agritourism involves cooperation with the local community. It is intended for tourists who seek peace and are interested in the customs of the village.

Roman and Niedziółka (2017) say that an agritourism farm is actually part of a farm with an accommodation part. Agritourism is not only guest rooms for tourists. Here also includes food and various recreational services offered within the agritourism farm in the village and in the commune to which it belongs.

Agritourism has a huge impact on rural environments - it gives the possibility of their social and economic activation. The author claims that the benefits of agritourism for the countryside are primarily:

- reducing unemployment by creating new jobs directly or indirectly related to servicing agritourism;
- use of free resources;
- improvement of rural infrastructure - construction of sewage systems, water supply, roads, creation of sports fields, creation of bathing areas or sports equipment rentals;
- improvement of the income situation of inhabitants of villages;
- improvement of the agrarian structure of the village and the activation of its inhabitants;
- preservation of the cultural heritage of the countryside;
- revival of regional art, traditions and customs;
- the revival of disappearing professions, such as weaving, blacksmithing, wicker, or pottery;
- better adaptation of rural residents to conditions that are new to them;
- better adaptation of the rural population to play new roles in society;
- along with the development of agritourism, the standard of the rural population improves;
- integration of the rural environment and aestheticization of the region;
- possibility of pursuing the interests of rural residents;
- getting to know other cultures through contact with different people – an invaluable educational value;
- promotion of the region – by means of agritourism potential investors can be attracted, and thus – there is a possibility of creating new jobs and further development of the region;
- stopping mass emigration (migration) of people from the countryside to the city.

The economic benefits include additional income for business entities and the development of farms, entire villages and communes. He believes that agritourism drives the development of new outlets, such as blacksmithing, sculpture and trade. Agritourism activities create the need to create new jobs and drive the development of the socio-economic and technical infrastructure of the village (construction of a sewage treatment plant and new roads). Economic benefits also include the demand for new services and products, as well as the development of the local economic situation.

Sikora (1999) believes that there are also socio-psychological benefits related to the increased respect for the population living in countryside. These benefits are related to the interpenetration of urban culture with rural culture as well as communing with the traditional lifestyle of the rural population through a close relationship with the family farm. This homestead is defined as a system of relations between a farm and the family, in which the positions of individual family members are interrelated with their professional roles and in which the household is connected with the production farm as a workplace.

Conditions for the development of agritourism. Agritourism is an important element of the economic activation of the rural population related to agriculture, therefore many different factors that affect its development can be listed. According to Roman and Niedziółka (2017), an important factor contributing to the development of agritourism in rural areas is the competitive prices of agritourism farms compared to other tourist facilities. This fact strongly encourages tourists to choose this form of tourism activity in rural areas. The factor which to a large extent speaks for the need to develop agritourism activity, just like any other non-agricultural activity, is the income situation of the population related to agriculture and high unemployment in rural areas. There are also other factors that may affect the development of this non-agricultural form. The environmental factors include: natural and landscape values, favorable geographical location, large labor force in the countryside, rich historical and cultural heritage, multi-directional and small farm area, traditional hospitality, strong motivation aimed at improving the standard of living.

Skubiak (2015) claims that the entrepreneurship of the rural population is influenced by economic, socio-cultural, environmental-ecological, institutional and technical factors. In the author's opinion, economic and technical factors are the basis for rural development. It is these factors that determine endogenous local development, which is mainly based on small and medium-sized enterprises. Moreover, the author believes that the most important economic factors that determine local development are: local human capital, markets and infrastructure.

Roman and Niedziółka (2017) are of the opinion that also the cultural factors that influence entrepreneurship most often relate to the development of local or regional cultural and historical heritage, folklore, as well as the cultivation of various traditions in the countryside. Tourists relaxing in the countryside often visit architectural monuments, open-air museums, or museums, and participate in all kinds of cultural events that take place in rural areas, e.g. at harvest festivals, fetes or church fairs.

As reported by Roman and Niedziółka (2017), institutional factors that affect the development of entrepreneurship in rural areas mainly concern the activities of various entities and institutions that are involved in the socio-economic development of rural areas. The most important of them are:

- agricultural advisory centers;
- agricultural chambers;
- local action groups;
- regional and powiat branches of the Agency for Restructuring and Modernization of Agriculture;
- municipal self-governments;
- culture promotion organizations such as rural housewives' clubs, song and dance groups.

Among the entities that influence rural entrepreneurship in the field of tourism, agritourism associations, local and regional tourist organizations or branches of PTTK (Polish Tourist and Sightseeing Society) should be mentioned. Ołowska, Buks and Chmieliński (2006) believe that after Poland's accession to the European Union in 2004, there were new opportunities to obtain funds from various programs that influenced the development of entrepreneurship in rural areas and were co-financed from the budget of the European Community. Thus, in the years 2004-2006, various support programs were created, aimed at people living in the countryside under the national development plan. These programs were directed primarily to

rural residents in line with human activity. On the one hand, by selecting a target group, the state defined the area of influence of the structural policy instrument. Support was directed to this target group. On the other hand, the funds only went to those people who were active in obtaining these funds.

Roman and Niedziółka (2017) indicate that when Poland joined the European Union on May 1, 2004, the country could fully benefit from EU aid for the development of tourist and recreational services in rural areas, including agritourism. This applies to EU aid in 2004–2006 and the rural development program for 2007–2013. The beneficiaries, i.e. people benefiting from the program, could be farmers, municipalities, agritourism associations or any entities involved in the development of local tourism or cultural heritage. Currently, RDP 2014–2020 can provide support for the development of rural tourism, various forms of recreation and cultural and historical heritage. According to Niedziółka (2009), in order to obtain aid from the European Union for the development of agritourism services, it was necessary for farmers to participate in special training courses on the procedures for receiving EU support for agritourism. The training programs included issues related to:

- construction and renovation projects along with their costs;
- recreational and sports services;
- purchase of animals for recreational purposes;
- furnishing of guest rooms;
- purchase and adaptation of animals for therapeutic purposes, e.g. horses for hypotherapy;
- writing business plans and cost estimates of planned projects;
- activities of institutions and entities in the field of agritourism support in the region;
- the possibility of credit and loan support for initial own investments in the absence of equity.

Niedziółka (2015) states that agritourism is a very common type of entrepreneurship in rural areas, and the support described above from the European Union funds is undoubtedly one of the most important factors in the development of these services.

Summary and Conclusions. Agritourism is treated as an important manifestation of the activity and entrepreneurial behavior of farmers in Poland. There are many factors that influence the development of agritourism. In rural areas, such a factor is undoubtedly the attractiveness of the area in terms of nature, architecture, history and tourism.